PRESIDENTIAL RECOMMENDATION TO CONTINUE WAIVERS APPLICABLE TO ROMANIA, HUNGARY, AND THE PEOPLE'S REPUBLIC OF CHINA, AND TO EXTEND THE TRADE ACT WAIVER AUTHORITY

HEARING

BEFORE THE

SUBCOMMITTEE ON TRADE

OF THE

COMMITTEE ON WAYS AND MEANS
HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

FIRST SESSION

JULY 14, 1983

Serial 98-22

Printed for the use of the Committee on Ways and Means

U.S. GOVERNMENT PRINTING OFFICE
24-420 O WASHINGTON : 1983

H781-10

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PRESIDENTIAL RECOMMENDATION TO CONTINUE WAIVERS APPLICABLE TO ROMANIA, HUNGARY, AND THE PEOPLE'S REPUBLIC OF CHINA, AND TO EXTEND THE TRADE ACT WAIVER AUTHORITY

THURSDAY, JULY 14, 1983

House of Representatives,
Committee on Ways and Means,
Subcommittee on Trade,
Washington, D.C.

The subcommittee met at 9:40 a.m., pursuant to notice, in room 1100, Longworth House Office Building, Hon. Sam M. Gibbons (chairman of the subcommittee) presiding.

[The press release announcing the hearing and background material follow:]

[Press release of Friday, July 1, 1983]

Hon. Sam M. Gibbons, Chairman, Subcommittee on Trade, Announces Public Hearings on a Presidential Recommendation To Continue Waivers Applicable to Romania, Hungary, and the People's Republic of China and To Extend the Trade Act Wavier Authority

The Honorable Sam M. Gibbons (D.-Fla.), Chairman, Subcommittee on Trade of the Committee on Ways and Means, U.S. House of Representatives, today announced that the Subcommittee on Trade will conduct hearings on Thursday, July 14, 1983, on a Presidential recommendation for a further extension of the authority under the Trade Act of 1974 to waive the freedom of emigration requirements under section 402 and for continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China (PRC). The hearing will begin at 9:30 a.m. in the main Committee hearing room, 1100 Longworth House Office Building.

Nondiscriminatory Most Favored Nation (MFN) trading status was granted to the Socialist Republic of Romania on August 3, 1975, the Hungarian People's Republic on July 17, 1978, and the People's Republic of China on February 1, 1980, pursuant to Congressional approval of agreements on trade relations between the United States of America and these countries. In approving extension of MFN treatment, the Congress also accepted the President's waivers for Romania, Hungary, and the People's Republic of China of the 1974 Trade Act's emigration requirements with respect to trade relations with countries not previously receiving nondiscriminatory treatment.

The Trade Act waiver authority expires on July 3 of each year. It may be extended on an annual basis upon a Presidential determination and report to Congress that such extension will substantially promote the objectives of the Trade Act's emigration requirement, provided that no disapproval resolution is approved either by the House or the Senate within 60 calendar days after July 3. On June 3, 1983, President Reagan transmitted to the Congress his recommendation that the waiver authority be extended for a further 12-month period and that waivers applicable to Romania, Hungary, and the PRC will substantially promote the objectives of section 402.

In consideration of the President's recommendation, the Subcommittee on Trade will be particularly concerned with emigration performance in the last year, which is viewed as a condition for continued extension of MFN treatment.

DETAILS FOR SUBMISSION OF REQUESTS TO BE HEARD

Individuals and organizations interested in presenting oral testimony before the Subcommittee must submit their requests to be heard by telephone to Harriett Lawler (202 225-3627) no later than the close of business Friday, July 8, 1983, to be followed by a formal written request addressed to John J. Salmon, Chief Counsel, Committee on Ways and Means, U.S. House of Representatives, Room 1102 Longworth House Office Building, Washington, D.C. 20515.

In view of the limited time available to hear witnesses, the Subcommittee will not be able to accommodate all requests to be heard. Those persons and organizations not scheduled for an oral appearance will be encouraged to submit written statements for the record of the hearing. All persons requesting to be heard, whether they are scheduled for oral testimony or not, will be notified as soom as possible after the filing deadline.

In order to assure the most productive use of the limited amount of time available to question hearing witnesses, witnesses scheduled to appear before the Subcommittee are required to submit 200 copies of their prepared statements to the full Committee office, room 1102 Longworth House Office Building, at least 24 hours in advance of their scheduled appearances.

Each statement to be presented to the Subcommittee or any written statement submitted for the record must contain the following information:

1. The name, full address, and capacity in which the witness will appear (as well as a telephone number where he or his designated representative may be reached);
2. A list of any clients or persons, or any organization for whom the witness appears; and
3. *A topical outline or summary of the comments and recommendations in the full statement.*

WRITTEN STATEMENTS IN LIEU OF PERSONAL APPEARANCE

Persons submitting a written statement in lieu of a personal appearance should submit six (6) copies of their statements, by the close of business Friday, July 22, 1983, to John J. Salmon, Chief Counsel, Committee on Ways and Means, U.S. House of Representatives, Room 1102 Longworth House Office Building, Washington, D.C. 20515. If those filing written statements for the record of the printed hearing wish to have their statements distributed to the press and the interested public, they may provide 100 additional copies for this purpose during the course of the public hearing.

SAM M. GIBBONS, FLA., CHAIRMAN
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A. L. SINGLETON, MINORITY CHIEF OF STAFF

DAVID B. ROHR, SUBCOMMITTEE STAFF DIRECTOR

July 7, 1983

MEMORANDUM

TO: Members, Subcommittee on Trade

FROM: Chairman Sam M. Gibbons SMG

RE: Hearing on Extension of Waiver Authority and Its Application to Romania, Hungary, and the People's Republic of China, July 14 in 1100 LHOB at 9:30 a.m.

On June 3, President Reagan recommended to the Congress an extension, for twelve months, of his authority under the Trade Act of 1974 to waive the freedom of emigration requirements under section 402 and his determination that continuation of the waiver applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objective of section 402. A copy of the recommendation is attached for your information.

In preparation for the July 14 hearing, the Trade staff has prepared the attached background materials on the legislative authority for, and the history of, waiver authority and on emigration and trade performance under the Romanian, Hungarian, and Chinese trade agreements.

Attachments

98th Congress, 1st Session - - - - - - - House Document No. 98-67

EXTENSION OF WAIVER AUTHORITY UNDER THE TRADE ACT

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

HIS RECOMMENDATION THAT THE AUTHORITY TO WAIVE SUBSECTIONS (a) AND (b) OF SECTION 402 OF THE TRADE ACT OF 1974 BE EXTENDED FOR A FURTHER PERIOD OF TWELVE MONTHS, PURSUANT TO SECTION 402(d)(5) OF THE ACT

JUNE 6, 1983.—Message and accompanying papers referred to the Committee on Ways and Means and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE
11-011 O WASHINGTON : 1983

To the Congress of the United States:

I hereby transmit the documents required by subsection 402(d)(5) of the Trade Act of 1974 for a further 12-month extension of the authority to waive subsection (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402.

RONALD REAGAN.

THE WHITE HOUSE, *June 3, 1983.*

RECOMMENDATION FOR EXTENSION OF WAIVER AUTHORITY

I recommend to the Congress that the waiver authority granted by subsection 402(c) of the Trade Act of 1974 (hereinafter "the Act") be further extended for twelve months. Pursuant to subsection 402 (d)(5) of the Act, I have today determined that further extension of such authority will substantially promote the objectives of section 402, and that continuation of the waivers currently applicable to the Hungarian People's Republic and the People's Republic of China will also substantially promote the objectives of section 402 of the Act. With respect to the Socialist Republic of Romania, I have today also determined that continuation of the waiver currently applicable to that country will substantially promote the objectives of section 402 of the Act. This determination is based on assurances provided by the Socialist Republic of Romania that it will no longer require reimbursement to the State of education costs as a precondition to emigration, and that it will not create economic or procedural barriers to emigration. My determination is attached to this Recommendation and is incorporated herein.

The general waiver authority conferred by section 402(c) of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of Eastern Europe and the People's Republic of China. The waiver authority has permitted us to conclude and maintain in force bilateral trade agreements with Romania, Hungary, and the People's Republic of China. These agreements continue to be fundamental elements in our political and economic relations with those countries, including our important productive exchanges on human rights and emigration matters. Moreover, continuation of the waiver authority might permit future expansion of our bilateral relations with other countries now subject to subsections 402(a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this recommendation for renewal of the general waiver authority.

I also believe that continuing the current waivers applicable to Hungary, the People's Republic of China and Romania will substantially promote the objectives of section 402 of the Act.

Hungary.—Hungary continues to take a positive and constructive approach to emigration matters. The Hungarian record of the past year, during which all outstanding problem cases were resolved, was excellent. The number of Hungarian citizens who apply to leave Hungary remains small and emigration permission is granted apparently without undue difficulty. There are no sanctions imposed on those who seek to emigrate, nor do emigration procedures appear excessive.

People's Republic of China.—China continued its open emigration policy throughout the past year. Chinese who wish to emigrate do so with little difficulty. In FY–1982, nearly 9,000 immigrant visas were issued by our Foreign Service posts in China. This figure has increased every year since the normalization of relations with China in 1979. In addition, tens of thousands of Chinese have traveled freely abroad over the past few years to study, conduct business, or simply tour and visit family. The limiting factor on Chinese emigration remains less official constraint than the limited ability or willingness of this and other countries to receive large numbers of potential Chinese immigrants.

Romania.—Emigration from Romania to all countries has approximately doubled and emigration to the United States has increased sixfold since the granting of MFN to Romania in 1975. In 1982, about 2,500 persons emigrated from Romania to the United States, while about 20,000 emigrated worldwide. This Administration initiated discussions with the Government of Romania on the improvement of emigration procedures. The rate of Jewish emigration to Israel in the period September 1982 to March 1983 was nearly double that of the same period in 1981–82. I will continue to monitor closely Romania's performance in improving its emigration procedures and in the area of Jewish emigration to Israel.

Implementation in February, 1983, of the education repayment decree of November 1, 1982, imposed a requirement that any Romanian citizen wishing to emigrate must repay in convertible currency the costs of education received beyond the compulsory level (10 years of schooling). This requirement conflicts with the letter and spirit of section 402. For that reason, on March 4, 1983 I announced my intention to terminate MFN status for Romania on June 30, 1983 if the tax was still in force by that date. Since that time, I have received assurances from the President of Romania that Romania will not require reimbursement to the State of education costs as a precondition to emigration, and that Romania will not create economic or procedural barriers to emigration. Based on these assurances and on the above-described emigration performance, I believe that continuation of the waiver applicable to Romania will substantially promote the objectives of the Act.

For the above reasons, I have determined that continuation of the waivers for Hungary, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of the Act.

THE WHITE HOUSE,
Washington, June 3, 1983.
Presidential Determination
No. 83—

MEMORANDUM FOR THE SECRETARY OF STATE

Subject: Determination under Subsection 402(d)(5) of the Trade Act of 1974—Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93-618), January 3, 1975 (88 Stat. 1978) (hereinafter "the Act"), I determine, pursuant to subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402 of the Act.

This determination shall be published in the *Federal Register*.

RONALD REAGAN.

(5)

I. LEGISLATIVE REQUIREMENTS AND HISTORY

1. Waiver Authority

Section 402 of the Trade Act of 1974 prohibits the granting of MFN treatment, government credits or investment guarantees, or the negotiation of a commercial agreement with any communist country if that country does not allow its citizens the freedom to emigrate. Section 402 also permits the President to waive the prohibition for one year periods (subject to renewal) if he determines that doing so will promote freedom of emigration. The authority expires on July 3 of each year unless the President recommends an extension to the Congress at least 30 days in advance.

The first renewal of the President's waiver authority in the fall of 1976 took place by operation of law. On June 2, 1976, the President recommended to the Congress that the authority, and the waiver applicable to Romania, be extended for a 12-month period. The Congress had the option to act affirmatively to extend or terminate the authority or to permit by inaction the extension of the authority. Since both Houses failed to take affirmative action either prior to the termination date of the initial grant of authority (July 30, 1976) or within 60 days following that termination date, and since neither House passed a resolution disapproving the President's recommendation within the 45 days following the 60-day period (i.e., on or before October 15, 1976), the authority automatically extended until July 3, 1977.

In the case of additional recommendations for extension, the waiver authority, and its application to individual countries, extends, by operation of law, unless either House of Congress passes a disapproval resolution within 60 calendar days after the termination of the previous extension period.

In 1977, the President recommended a further 1-year extension of the waiver authority and its application to Romania. A resolution of disapproval was introduced in the House, but the House tabled the resolution on August 3, 1977.

In 1978, the President recommended to the Congress a further 1-year extension of the waiver authority and its application to Romania and Hungary. Although products of Hungary did not benefit from MFN tariff treatment at that time, the President had transmitted to Congress the text of the U.S.-Hungarian Trade Agreement for its approval. No disapproval resolution was passed by either the House or the Senate within the statutory period, and MFN extended by operation of law until July 3, 1979.

In 1979, the President again recommended a further 1-year extention of the waiver authority and its application to Romania and Hungary. A resolution disapproving the extension of the waiver authority with respect to Romania was introduced in mid-June. The full Committee on Ways and Means reported the resolution unfavorably, and the House failed to pass the disapproval resolution by a vote of 126-271.

In 1980, the President recommended to the Congress a further extension of the waiver authority and its application to Romania, Hungary, and China. On August 22, 1980, Congressman Richard Schulz introduced H.Res. 775 to disapprove the extension of the waiver authority to Romania. No action was taken on that resolution.

In 1981, the President recommended extension of the waiver for Romania, Hungary, and China. Neither the House nor the Senate adopted a resolution disapproving the grant of MFN trading status to Romania, Hungary, or the PRC.

On June 2, 1982, the President recommended to the Congress a further 1-year extension of waiver authority and its application to Romania, Hungary, and China. On July 13, 1982, Congressman Robert K. Dornan introduced H.Res. 521 disapproving the extension of the waiver authority to Romania. On August 12, 1982, the Committee on Ways and Means reported the resolution adversely, and the House tabled the resolution on August 18, 1982. On August 18, 1982, Congressman Richard T. Schulze introduced H.Res. 570 disapproving the extension of the waiver authority to the PRC. No action was taken on that resolution.

On June 3, 1983, the President recommended to the Congress a further 1-year extension of the waiver authority and its application to Romania, Hungary, and the PRC. The President's recommendation with regard to Romania was based on assurances provided by the Romanian Government that it will no longer require reimbursement to the State of education costs as a precondition to emigration, and that it will not create economic or procedural barriers to emigration. On March 4, 1983, the President had announced his intention to terminate MFN status for Romania, effective June 30, 1983, if the tax had still been in force.

2. Romania Trade Agreement

The Agreement on Trade Relations between the United States of America and the Socialist Republic of Romania took effect on August 3, 1975, following passage by both Houses of Congress on July 28 of concurrent resolutions approving the extension of MFN to imported products from Romania under a waiver of emigration requirements issued on April 24, 1975 under the section 402 provisions.

As provided under section 405(b)(1), the trade agreement itself under which MFN treatment is extended to Romania was limited to an initial period of no more than 3 years from its entry into force, on August 3, 1975. Such agreements may be

The Senate Finance Committee reported S.Con.Res. 47 on January 10. The Senate passed H.Con.Res. 204 by a vote of 74-8 on January 24. The Agreement entered into force and MFN treatment was extended to imports from the PRC on February 1, 1980, the date on which the exchange of written notices of acceptance took place.

renewed for additional periods, each not to exceed 3 years if two conditions are met: (1) a satisfactory balance of concessions in trade and services has been maintained under the agreement; and (2) the President determines that actual or foreseeable reductions in U.S. tariffs and nontariff barriers resulting from multilateral trade negotiations are satisfactorily reciprocated by the other party. In 1981, the Trade Agreement was extended for three years until 1984.

3. Hungary Trade Agreement

On April 7, 1978, the President transmitted to the Congress the text of the Agreement on Trade Relations between the United States of America and the Hungarian People's Republic, signed on March 17, 1978, a proclamation extending MFN treatment to the products of Hungary upon Congressional approval, and a notice of intent to issue a waiver on April 7 of the application of section 402 requirements with respect to Hungary. On April 26, the Subcommittee on Trade favorably reported to the full Committee H.Con.Res. 555, providing for Congressional approval of the extension of nondiscriminatory treatment with respect to the products of the Hungarian People's Republic. The Committee on Ways and Means reported the resolution favorably on May 3 and the House passed it on May by a vote of 209-173.

The Senate Finance Committee reported the bill S.Con.Res. 76 on June 22 (S. Report 95-949), and it passed the Senate on a voice vote. The Agreement entered into force and MFN treatment was extended to imports from Hungary on July 7, 1978, the date on which the exchange of written notices of acceptance took place. In 1981, the Hungarian Trade Agreement was automatically extended for another three years until July 7, 1984, since the President did not take any action within the prescribed period of time (30 days before scheduled date of expiration, July 7, 1981) to terminate it.

4. China Trade Agreement

On October 23, 1979, the President transmitted to the Congress the text of the Agreement on Trade Relations between the United States of America and the People's Republic of China (PRC) signed on July 7, 1979, a proclamation extending MFN treatment to the products of the PRC upon Congressional approval, and a notice of intent to issue a waiver on October 23 of the application of section 402 requirements with respect to the PRC. On December 11, the Subcommittee on Trade favorably reported by voice vote to the full Committee H.Con.Res. 204, providing for Congressional approval of the extension of non-discriminatory treatment with respect to the products of the PRC. The Committee on Ways and Means ordered the resolution favorably reported by a roll call vote of 24-8, on December 13 (H. Report 96-733) and the House passed it on January 24, 1980 by a vote of 294-88.

II. EMIGRATION PERFORMANCE AND PROCEDURES

A. Romania

1. Emigration Performance

a. U.S.-Romanian Emigration - Since Romania was granted Most-Favored-Nation trading status in 1975, emigration from Romania to the U.S. increased from a low of 890 in 1975 to 2,886 in 1980, then declined somewhat to 2,352 in 1981 and totalled 2,381 in 1982. The 1982 figure does not accurately represent Romanian performance regarding emigration since, according to official Romanian data, 4,013 people received permission to emigrate to the U.S. that year. The U.S., however, was not in a position to promptly issue immigrant visas or otherwise receive all of those who were granted exit documentation by the Romanian Government. The rate of issuance of immigrant visas and other such documentation for the U.S. through May, 1983 has been slightly higher than for the same period in 1982.

b. Emigration to Other Countries

(1) Federal Republic of Germany - While no figures for legal emigration from Romania to the Federal Republic of Germany are available for years prior to 1975, the number of such emigrants since then has fluctuated from a low of 4,085 in 1975 to a high of 12,946 in 1980. The total number of emigrants to the Federal Republic of Germany from Romania from 1975 through 1982 was 66,937. The 11,546 emigrants to the Federal Republic of Germany in 1982 represented the highest number for any year other than 1980, an increase of 34 percent over the 1981 total. The average rate of emigration from Romania to the Federal Republic of Germany for the first five months of 1983 has exceeded 1,000 people per month.

(2) Israel - Emigration from Romania to Israel, which has totaled over 250,000 since Israel's independence in 1948 and over 350,000 since the end of World War II, remains below the levels existing before the extension of MFN. However, emigration to Israel increased by 46 percent from 1981, when there were 1,012 emigrants, to 1982, when the total was 1,474. The rate of immigrant visa issuance by the Israeli Embassy in Bucharest through May, 1983 is over 50 percent higher than for the same period in 1982, when the largest number of emigrants since 1976 left for Israel. In his recommendation for renewal of MFN treatment for Romania for 1983, President Reagan said he would continue to monitor Jewish emigration to Israel closely. It is anticipated that emigration to Israel will be maintained at least at the 1982 level. However, any evaluation of statistics on emigration to Israel should take into account the relatively small size of the Jewish community remaining in Romania (now estimated at somewhat over 30,000) and the fact that a large

percentage of that community is comprised of elderly people who may not wish to emigrate. Nevertheless, a sizable backlog of Romanian Jews seeking to emigrate to Israel remains. Following recent assurances from the Romanian Government that all applications for emigration are being processed within six months, it is hoped that the backlog will be reduced significantly over the coming months. As of March, 1983, over 1,000 Jews had applications pending for emigration to Israel, according to information provided by Rabbi Rosen, the Chief Rabbi of Romania.

c. Monitoring of Emigration Practices - In his 1977 recommendation to the Congress for an extension of his waiver authority, the President indicated his intent to monitor closely compliance with the objectives of the emigration requirements of Title IV, and to bring to the attention of the Romanian Government any actions or emigration trends which did not appear to conform to official assurances that emigration cases would be treated in a humanitarian manner. In keeping with that intent, the American Embassy in Bucharest continues to present to the Romanian Ministry of Foreign Affairs on a quarterly basis a formal representation list containing the names of qualified immigrants, and dual nationals and of Romanians who have applied to the Romanian Council of State for approval to marry U.S. citizens.

2. Emigration Practices and Procedures

a. Romanian Emigration Procedures - The Romanian Government permits, but is opposed in principle to, emigration. Those applying for passports for permanent departure from Romania frequently have been subject to bureaucratic delays, economic retaliation, and/or strong social pressure. Some of these manifestations have been officially organized and all, at least informally, officially sanctioned. In addition, Romania's Decree 402, the so-called education repayment decree, was announced on October 22, 1982, and began to be implemented on a wide scale in February, 1983. The central provision of that decree is the requirement that emigrants repay in convertible currency the costs of their education beyond the compulsory level (ten years) before they would be allowed to depart Romania. The education repayment requirement represented a particularly serious impediment to emigration. Consequently, President Reagan announced on March 4, 1983, his intention to terminate Romania's MFN status on June 30, if the education tax remained in force on that date. However, in late May, 1983, President Reagan received assurances from President Ceausescu that Romania would not require reimbursement to the State of education costs as a precondition to emigration, and that Romania would not create economic or procedural barriers to emigration. It was on the basis of those assurances that the President recommended further extension of the waiver for Romania for another twelve months.

Since last year's MFN hearings, the U.S. and Romanian Governments have held discussions on improving emigration procedures. The Romanian Government has stated recently that concrete measures have been taken in order to facilitate and expedite emigration. According to the Romanian Government, all applications for emigration are receiving serious and steady consideration, such applications are being processed within a period of six months, and the policy of not subjecting applicants to any kind of discrimination is being strictly implemented.

b. U.S. Activities - The Department of State and the American Embassy in Bucharest see their efforts to improve Romanian performance on family reunification as a basic task. Embassy efforts focus on representations to the Romanian Government on behalf of qualified applicants, in three forms. First, a Representation List, formulated on the basis of criteria described elsewhere in this report, is presented to the Ministry of Foreign Affairs every three months. Second, the Embassy forwards diplomatic notes on outstanding individual cases approximately every sixty days. Third, selected cases of particularly high interest are intermittently brought to the attention of the Ministry and other Romanian authorities orally, at various levels. Once the prospective immigrant has received travel documents from the Romanian Government, the Embassy assists him or her with as rapid processing of the visa application as possible (if qualified), or through facilitation of departure from Romania for third-country processing.

c. U.S. Processing of Romanian Immigrants - In addition to the bureaucratic and other obstacles from the Romanian side confronting intending emigrants from Romania, they must also be qualified to receive visas under U.S. immigration law. These circumstances can prevent a Romanian citizen from entering the United States altogether, or require him to enter the U.S. indirectly after spending time in a third country.

d. Third-Country Processing - Romanian citizens who do not qualify to enter the United States directly in immigrant status but who receive Romanian passports and exit visas can proceed to the U.S. only by an indirect route. Present procedures require such persons to make a stop-over in Rome, where they apply to the U.S. Immigration and Naturalization Service for entry into the United States as refugees. Approximately 75 percent of the individuals who departed Romania for the United States in 1982 utilized this procedure.

e. Ineligibles - A more difficult problem is raised by those wishing to emigrate to the United States but who are found ineligible under U.S. law to enter this country. The most common grounds for their exclusion are voluntary, active membership in the Romanian Communist Party or convictions for crimes of moral turpitude. On average, there are about 40-60 intending immigrants in this category per year. Because these people are excluded under U.S. law, our Embassy in Bucharest cannot arrange for them to enter the United States. Where possible, it tries to be helpful in arranging for them to proceed to third countries.

f. Israeli Processing of Prospective Immigrants - Israeli procedures for processing prospective immigrants are quite different from those described for entry into the United States. In most cases, the individual applies for departure from Romania according to the general procedures outlined in section 1 above without consulting the Israeli Embassy. Similarly, the Romanian Government decides whether or not to issue a passport without consulting the Israeli Embassy regarding the applicant's eligibility for entry into Israel or informing the Embassy that potential emigrants are being processed. The Israeli Embassy states that the Ministry of Foreign Affairs periodically sends lists of intending emigrants for Israel, together with their passports, to the Embassy, which only then interviews each applicant. After Israeli Embassy approval, the passports are returned to the MFA for eventual distribution to the emigrants. Since all passport applications are approved prior to the Israeli eligibility interview, a number of applications for emigration ultimately have been rejected by the Israelis. These persons frequently come to the U.S. Embassy to request U.S. immigration visas.

Israeli Embassy policy toward Jewish emigration from Romania must be regarded as passive. The Embassy intervenes in individual cases only infrequently, and it claims not to have any means of knowing who has been granted Romanian exit documents for Israel, much less who applied.

Annual Romanian Emigration to the United States, Israel, and the Federal Republic of Germany
1971 - 1983

All figures represent immigrant visas or similar documentation issued by the respective Embassies in Bucharest in the calendar year indicated. The figures have been supplied by the Embassies of the three countries from their consular records. These figures vary somewhat from the number of emigration cases approved by the Romanian Government, actual departures from Romania, and actual arrivals in the countries of destination.

YEAR	USA	ISRAEL	FRG
1971	362	1,900 (approx.)	*
1972	348	3,000 (approx.)	*
1973	469	4,000 (approx.)	*
1974	407	3,700 (approx.)	*
MOST-FAVORED-NATION TRADING STATUS GRANTED -- 1975			
1975	890	2,000 (approx.)	4,085
1976	1,021	1,989	2,720
1977	1,240	1,334	9,237
1978	1,666	1,140	9,827
1979	1,552	976	7,957
1980	2,886	1,061	12,946
1981	2,352	1,012	8,619
1982	2,381	1,474	11,546
(1971-82) TOTAL	15,574	23,586 (approx.)	66,937 (1975-82)
(Jan.-May 1983)	1,261	454	5,925

*not available

ROMANIAN EMIGRATION TO THE UNITED STATES
MONTHLY TOTALS

Immigrant Visas Issued by U.S. Embassy Bucharest

	1975	1976	1977	1978	1979	1980	1981	1982	1983
Jan.	27	74	69	69	77	171	240	260	136
Feb.	13	87	59	96	106	216	252	169	338
March	14	130	139	65	102	234	183	223	302
April	24	97	101	99	67	236	207	260	183
May	20	77	129	120	103	240	212	249	302
June	29	111	106	122	57	188	188	227	
July	110	96	111	142	109	273	184	163	
Aug.	182	104	151	207	124	236	139	306	
Sept.	181	74	106	189	205	276	200	57	
Oct.	131	40	101	251	241	308	164	38	
Nov.	62	66	94	179	168	251	173	277	
Dec.	97	65	62	206	193	223	205	152	
TOTALS	890	1021	1228	1745	1552	2882	2347	2381	

ROMANIAN EMIGRATION TO ISRAEL
MONTHLY TOTALS

Number of Immigrants

	1975	1976	1977	1978	1979	1980	1981	1982	1983
Jan.	62	328	46	63	54	57	67	58	136
Feb.	41	232	62	73	31	52	44	56	90
March	102	99	113	96	47	87	48	57	102
April	60	51	132	77	67	74	55	71	74
May	46	143	105	148	61	90	64	54	52
June	199	211	109	111	60	57	59	54	
July	403	237	70	90	58	127	92	131	
Aug.	238	238	113	90	74	103	90	155	
Sept.	262	117	181	93	120	131	158	155	
Oct.	350	118	197	91	140	106	80	255	
Nov.	130	79	118	89	158	83	109	204	
Dec.	115	136	88	91	120	94	146	203	
TOTALS	2008	1989	1334	1112	990	1061	1012	1474	

HUNGARY

1. Emigration Performance

The number of emigration problem cases has varied from a current low of zero to a high of thirteen which involved 24 individuals.

Fifty-one problem cases have been presented to the Government of Hungary by the U.S. Embassy in Budapest since September 1975. These emigration problem cases have involved 88 individuals. Five of these cases were dropped, while 51 have been formally resolved.

Attached are tables showing an accounting of Hungarian emigration problem cases from September, 1975 until May, 1983 and visa statistics from Hungary for 1982.

2. Emigration Practices and Procedures

Hungary's emigration law is ostensibly strict but is applied with considerable flexibility. The law stipulates that only Hungarians over the age of 55 and leaving to join close relatives abroad may normally emigrate. But authorities have considerable discretionary authority to make exceptions to the restrictions in individual cases. For example, Hungarian women who marry U.S. citizens or permanent residents are freely permitted to depart irrespective of age.

We have carefuly monitored Hungarian emigration practices since Hungary signed the Helsinki Final Act in August 1975. Hungarian statements indicate and our own experience since 1975 has verified that about 90% of emigration applications are approved without undue difficulty. There are evidently no employment, medical care, housing or other official sanctions applied against Hungarians seeking to emigrate. There is no Jewish or minority-related emigration problem. Emigration application forms and instructions are readily available. Application and passport fees are modest, totalling about $75 per adult applicant. Emigrants may take a modest amount of personal belongings and furnishings with them.

HUNGARY -- EMIGRATION PROBLEM CASE ACCOUNTING -- 9/75 - 6/83

Underlined dates indicate when cases were first presented to the Hungarian Government by the U.S. Embassy at Budapest. Figures in parentheses indicate numbers of individuals.

Codes:
* favorably resolved
# dropped; abandoned emigration efforts
o unresolved - pending as of 5/31/83

9/75

Szabo	(2)	*11/76
Hajos	(1)	#
Basco	(2)	#
Csatari	(1)	#
Bohacs	(1)	*1/76
Piros	(2)	*11/75
Szalaf	(2)	*4/76
Petus	(1)	*8/76
Somogyi	(4)	*11/77

3/76

Frater	(1)	*7/76
Mihalik	(2)	*9/76
Faro	(1)	*12/77

8/76

Bucsanyi	(1)	*8/77
Dobos	(3)	*8/77
Farkas	(1)	*8/77

9/76

Kardos	(1)	*10/77

1/77

Vanda	(1)	*6/77

12/77

Harsay	(3)	*5/78
Benkovitch	(1)	*1/79
Vahl	(2)	*7/78
Chambre	(2)	*4/78
Kabat	(4)	*8/82
Visegradi	(1)	*7/78

4/78

Daraz	(1)	*4/80
Laki	(1)	*9/78
Valy	(1)	*1/79

6/78

Cserenko	(1)	*10/79

1/79

Dianovics	(4)	#9/79
Herczeg	(1)	*4/80
Pajtenyi	(1)	*9/79
Stangl	(1)	#10/79
Szego	(2)	*7/79
Wasserman	(1)	*2/79

3/79

Gaal	(1)	*4/79
Zsoldos	(2)	*3/80

10/79

Patko	(1)	*7/80
Weiser	(2)	*6/80
Fulop	(4)	*2/80

5/80

Hegedus	(2)	*3/81
Vidak	(4)	*5/83
Fekete	(2)	*9/82
Keresztes	(1)	*7/80
Stehli	(3)	*6/80

10/80

Arato	(3)	*1/81

11/81

Kiss	(1)	*5/82
Toth	(1)	*4/82
Balog	(1)	*5/82
Szalacsi	(3)	*2/82
Nemenyi	(1)	*2/82
Zoboki	(1)	*3/83

5/82

Skorka	(1)	*8/82

Totals

Cases Presented	51	(88)
Cases Dropped	5	(9)
Formally Resolved	46	(79)
Pending 6/3/83	0	(0)

VISA STATISTICS -- HUNGARY

10/1/81 - 9/30/82

Fiscal Year 1982		
Total Immigrant Visas Issued	109	
Total Nonimmigrant Visas Issued (Revalidated and Transferred)	11,178	
Total Emigration Problem Cases	4	(8) individuals
Total Emigration Problem Cases Resolved	4	(8) individuals
JANUARY - MAY 1983		
Total Emigration Problem Cases Resolved	2	(15) individuals
Total Emigration Problem Cases Added	0	(0) individual
JUNE 1983		
Total Emigration Problem Cases Pending	0	(0) individual

Refusals, when they occur, usually stem from the fact that an applicant's close relative has recently gone abroad or remained abroad illegally under Hungarian law, or because of an applicant's liability for military service. While always careful to observe its position that emigration matters involve the exclusive jurisdiction of Hungarian law over Hungarian citizens, the Hungarian Government is willing to accept U.S. diplomatic representations on individual problem cases provided that the representations are couched in nonpolitical and serious humanitarian terms. While during the pre-Helsinki period resolution of problem cases would take five years or more, a number of cases which the U.S. Embassy has presented have been favorably concluded after delays from several months to a year. In general, if refused applicants seriously wish to emigrate and persist with repeated exit permission applications and appeals, they will eventually be allowed to depart.

PRC -- Updated Statistics-Jackson/Vanik

Emigration Performance

More people are willing and able to emigrate from the PRC than receiving countries are willing to accept. The annual quota on U.S. immigration of China:mainland-born from all countries in the world is 20, 000. In addition, an estimated 5,000 immediate relatives enter without limit. In the past year, the U.S. Embassy in Beijing and the Consulate General in Guangzhou (Canton) together issued over 9,500 immigrant visas. This constitutes over 25% increase from the previous year, reflecting a greater availability of immigrant visa numbers stemming from the establishment of a separate quota for Taiwan. Over 50,000 immigration petitions, approved by the U.S. Immigration and Naturalization Service remain awaiting the availability of immigration spaces. In addition to the United States, sizable numbers of Chinese have immigrated to Hong Kong, Canada, and countries in Southeast Asia and South America.

Emigration Practices and Procedures

Chinese wishing to emigrate must establish eligibility for one of the qualifying categories. These categories include overseas Chinese (ethnic Chinese who are nationals of other countries), other foreigners residing in China, stateless persons, Chinese who have relatives living abroad, persons who need to travel abroad to settle estates or take over family businesses, students and officials traveling on state business. The applicant must show some evidence that he is admissible to the country of destination.

Under present practices an intending emigrant submits his request for an exit permit to the personnel office of his work unit. His request includes a report of his reasons for emigrating or traveling abroad. Along with the report, the applicant must submit an invitation to travel abroad and assurances that his living expenses will be covered while out of the country.

Issuance of a formal exit permit application form is authorized upon approval of the applicant's report by the personnel office of his work unit. The fee for the application form is nominal (about U.S. $0.10). Issuance of the application form in most cases is tantamount to approval of the exit permit, since approval of the application is largely a formality. The fee for an exit permit and passport is about U.S. $2.00.

The time to process applications, varies from place to place. It usually takes 3 to 10 weeks from the time of application to the issuance of an exit permit. However, some encounter longer delays of up to 6 months. This is particularly true in outlying rural areas or in localities with heavy emigration application workloads. The U.S. Embassy and consulates have made representations to Chinese officials in cases of six-month delays; issuance of permits has usually been rapid thereafter.

While the present Chinese policy toward emigration is comparitively non-restrictive and is generally directed toward facilitation of exit procedures, there are some general restrictions. The applicant cannot be the subject of a pending criminal complaint nor be imprisoned, nor can he have failed to settle outstanding debts. Some members of the Communist Party, People's Liberation Army, Public Security Bureay, and Railway Corps are believed to be prohibited from emigrating for security reasons. China is increasingly concerned about a potential brain and cultural drain and has apparantly been reluctant to issue passports to some persons whose emigration might create gaps in its modernization efforts. Chinese university graduates are generaly prohibited from traveling abroad for two years after completion of their study programs. There is, however, no evidence that China has inhibited the emigration of those with legitimate family ties abroad.

There has been some disparity noted among localities with regard to formulation and implementation of general emigration policies. While some authorities advise applicants in writing to not resign their jobs or cancel their household registers until their foreign visas have been issued, other localities make resignation of jobs and cancellation of household registers a condition of exit permit issuance. Such a requirement tends to deter exit permit applications because it is difficult to reverse should the foreign visa be refused, and could leave the applicant without ration tickets or income for months.

Unofficial discouragement of emigration is not common, but does exist. Work units or neighborhood committees sometimes pressure relatives of an intending immigrant to "educate" him on the reasons why he should remain in China. However, while such pressures may act as a deterrent, they are clearly not an insurmountable barrier to emigration since every reported example involved a person already approved for exit.

ROMANIAN OVERVIEW

I. TRADE STATUS

U.S.-Romanian trade fell sharply from over $1 billion in 1981 to $571.6 million in 1982. U.S. exports, which reached a peak of $722 million in 1980, declined from $504 million to $224 million; U.S. imports declined from an all-time high of $561 million in 1981 to $348 million last year. The dramatic drop in the 1982 figures reflects Romania's lack of access to hard-currency financing, the effects of global recession on trade and Romanian austerity measures, including a severe curtailment of hard-currency imports.

The 55 percent decline in U.S. exports from 1981 to 1982 primarily affected agricultural sales, which were only $45 million in 1982--down from the 1981 and 1980 levels by about $300 million. This resulted from both the Romanian austerity program and a record crop year in that country. U.S. exports to Romania of manufactured goods showed no significant change from $51.7 million in 1981 to $50.7 million in 1982. In light of Romania's sharp curtailment of general imports, this indicates a fundamental strength of American manufactures in that market. U.S. exports of crude materials and fuels taken together also increased in 1982 over 1981 from $116 million to $126 million.

For the majority of years in the past decade, the United States has run considerable surpluses in its trade with Romania. In 1982, Romania enjoyed a surplus in trade with the United States of $124 million due in large part to Romania's inability to finance its U.S. imports. In addition, Romania was forced to use its earnings from exports to the U.S. to repay its financial obligations to the U.S. Government, private banks, and commercial suppliers.

II. COMMERCIAL IMPORTANCE OF MOST-FAVORED-NATION STATUS

The Commerce Department has carefully studied the effects a termination of MFN would have on U.S.-Romanian trade.

During the first year following termination of Romanian MFN tariff status, the Commerce Department estimates that Romanian exports to the United States would be about $200 million less than otherwise.

Under the present Romanian foreign trade law each foreign trade company is required to balance imports with exports. A direct effect on Romania's ability to sell to the United States would immediately result in at least a parallel decline in U.S. export sales to Romania. With a combined debt of about $550 million to U.S. private banks and Government lending agencies, Romania will strive to run trade surpluses with the United States in the next few years as it did in 1982. This suggests that a sharply reduced market for U.S. goods in Romania would follow termination of MFN. We would expect U.S. exports to Romania to fall to a level as low as $135 million in 1984.

It is difficult to project with any certainty which current U.S. exports to Romania would continue to have markets in Romania and which would be curtailed. U.S. markets will probably remain strongest for (1) spare parts needed for American-made capital stock already incorporated into Romanian plants, and (2) high technology items for which other foreign suppliers cannot be substituted. In contrast to cherished American high technology items, raw material and agricultural commodities--which are normally purchased under larger contracts--have in the past proven easier for Romania to curtail. U.S. markets for many of these items are likely to be most affected in the short-run.

About 200-250 U.S. companies have business which is largely or wholly based upon merchandising Romanian goods in the United States. Generally, the mark-ups on these Romanian imports are not large enough to absorb the higher tariffs which would be levied on them if MFN is terminated. There are also many companies which, in order to complete sales of U.S. exports, have agreed to buy-back and countertrade arrangements, many of which oblige the American company to import Romanian goods to the U.S. over a long-term period. These companies could also be adversely affected by the higher tariffs.

According to Commerce Department analysis, 75 of Romania's top 80 exports would become significantly less competitive because of the higher tariffs. Twenty-nine of Romania's 80 most important exports to the United States would be forced out of the market by tariff increases in the 30%-50% range.

Romania would lose completely its markets for: textile apparel products ($66 million); wooden furniture ($20 million); bearings ($11 million); most glassware ($5 million); various machinery parts ($5 million); and leather cases ($3 million). (Based on 1982 data.)

III. ECONOMIC AND BUSINESS CLIMATE

Romania's economy reached a critical stage in 1981. The combined forces of a restructuring of world oil and refined petroleum product prices which made a large segment of Romania's exports industry unprofitable, the international credit squeeze, the adjustment of the economy to slower growth, and past economic mismanagement, precipitated a liquidity crisis. Romania was forced to seek debt relief. Requests for reschedulings to cover $2 billion in debt service in 1982 were satisfied and negotiations are underway with Western private banks and governments which together are expected to provide $800 million in debt relief this year. Since 1981 Romania has adhered to an economic stabilization program in cooperation with the International Monetary Fund. Through measures to rationalize prices, curb overly-ambitious investment, and improve the balance of payments, Romania achieved a remarkable current accunt surplus of $1.5 billion in 1982. Romania clearly will not require additional rescheduling in 1984, and the experts believe that if the policies being proposed and initiated in conjunction with the IMF program continue on schedule full economic stability will be achieved.

Since 1975, the business climate in Romania has improved through the Romanian Government's efforts to develop business practices suited to cooperation with U.S. firms and to attract greater numbers of U.S. business representatives to Romania.

Stipulations of the Trade Agreement pertaining to business facilitation are observed and provide an environment which is beneficial to commerce. Bilateral discussions to improve facilities and services for the U.S. business community are on-going. These include facilities for resident U.S. businessmen, procedures for establishing an office in Romania, customs regulations, increased rents and business costs in Romania, and taxation of U.S. businessmen and their offices in Romania.

Because of increasing deficits in its hard currency foreign trade, Romania is enforcing stringent trade and monetary policies aimed at balancing foreign trade. Current Romanian foreign trade law requires that Romanian imports be balanced with exports, and Romania seeks 100% countertrade in sales contracts for most industrial products. While some larger U.S. firms can easily manage countertrade requirements, others, particularly smaller firms, cannot. The U.S. Government has urged the Romanian Government to be more flexible regarding countertrade demands.

While frequently lengthy, most contract negotiations proceed normally and contracts are implemented without difficulty. Prolonged and costly negotiations in Romania do tend to keep smaller U.S. firms out of the market. When disputes arise, there are several means available by which to resolve them, including the arbitration provisions of the U.S.-Romanian Economic Council. Most disputes are resolved short of arbitration.

About thirty U.S. firms maintain representation offices in Romania. Manufacturers Hanover Trust has had an office in Bucharest since 1974. Also, Control Data Corporation (CDC) owns 45% of the Rom-CDC joint venture, which manufactures computer peripherals for sale in Romania, Eastern Europe and the West.

Since the onset of the 1981 liquidity crisis, goods shipped to Romania in the 1980-1981 period remained unpaid for many months. As a result, suppliers refused to fill subsequent Romanian orders. Only gradually were these debts repaid or rescheduled. A number of contracts and projects which were under active discussion between Amercian and Romanian partners in 1981 never materialized. While these developments have tarnished Romanian's commercial credibility we expect the Romanian market will improve gradually through the remainder of 1983 and 1984. An important stimulus in the market is expected when Romania's two year moratorium on new investment is lifted in November. Despite Romanian countertrade demands, U.S. export controls, and adverse financial conditions, the interest of American firms in doing business with Romania remains strong.

IV. U.S.-ROMANIAN ECONOMIC/COMMERCIAL RELATIONS

Since MFN was extended in 1975 U.S.-Romanian economic and commercial relations have grown. The two governments have constructed a framework conducive to the expansion of trade and the development of trade and economic cooperation. Both trade and cooperation, which developed favorably as a result, have been affected in the past two years by a financial crisis in the Romanian economy and by world recession. For the past nine months bilateral commercial relations have been hindered by Romania's implementation of the November 1982 decree requiring those wishing to emigrate to repay education costs, placing Romania's MFN status in jeopardy. This caused uncertainty among those firms doing business with Romania.

In addition to granting MFN in 1975, the United States has supported the expansion of American exports to Romania by extending financing programs (Eximbank and CCC). Since 1975, Romania has used over $1 billion in U.S. Government-backed credits (about $800 million through CCC and $200 million through Eximbank). Since 1976, Romania has also enjoyed special tariff preferences under the Generalized System of Preferences (GSP) program which the USG extends to developing countries. GSP will also be lost if MFN is terminated. In 1982, Romania exported $55 million in goods to the United States under GSP and since 1976 almost $500 million in goods from Romania have entered the United States under this program.

Romania has sought to integrate its economy into the world economic system and to make its foreign trade system more responsive to Western firms. Romania is a member of the GATT, IMF and World Bank, allows foreign equity ownership in joint companies with Romanian partners, and permits foreign firms to open representation offices in Romania.

Numerous bilateral agreements have been signed and subsequently renewed, the most important of which was the August 1975 U.S.-Romanian trade agreement, which was renewed in 1981 for another three years. Besides agreements, important bodies have been established for the development of economic/commercial relations, including the Joint American-Romanian Economic Commission, which monitors and discusses trade issues, and the Romanian-U.S. Economic Council, which facilitates increased contact between U.S. firms and Romanian companies.

High level economic visits have continued between the two countries. The Romanian Minister of Foreign Trade, Nicolae Constantin, met with Commerce Secretary Baldrige in conjunction with the Eighth Session of the Joint American-Romanian Economic Commission meeting in Washington on June 28-29, 1982. The Working Group of the Commission met in Bucharest on October 18, 1982. The U.S. delegation was headed by Commerce Assistant Secretary Waldmann. In the past year the Romanian Ministers of Foreign Affairs and Finance, as well as the Chairman of Romania's Foreign Trade Bank have also visited Washington.

ROMANIA: ECONOMIC/FINANCIAL FACT SHEET

I. Debt Profile (Year-end 1982)

Hard-Currency Debt		$9.5 billion
of which:	U.S. government	$260 million
	U.S. private banks	$285 million
Debt Service Ratio		41%
Hard-Currency Trade Balance		+$1.5 billion (1982)

II. Debt Reschedulings

1982:	
Banks	$1.7 billion
Governments	$480 million
1983:	
Banks	$600 million
Governments	$200 million
1984:	
no reschedulings will be required	

III. Adjustment Policies Adopted

Romania is currently implementing an IMF endorsed stabilization program which includes both trade related and internal adjustment measures. Price adjustments, which bring domestic prices in line with world market prices, sharp energy conservation measures and a virtual moratorium on new investment projects are among the internal austerity measures being practiced. Related directly to foreign trade, import restrictions and exchange rate adjustments are continuing. Linked closely to Romania's ability to obtain additional IMF assistance, the stabilization program is adhered to and is fairly viable.

TABLE 1

VOLUME AND COMPOSITION OF U.S.-ROMANIAN TRADE
(Millions of Dollars)

US Exports	1979	1980	1981	1982
Manufactured	100.3	134.4	51.7	50.8
Agricultural	336.5	462.6	368.4	133.5
Other	63.7	123.2	83.8	38.9
TOTAL	500.5	720.2	503.9	223.2

US Imports	1979	1980	1981	1982
Manufactured	230.0	229.4	377.5	237.1
Agricultural	34.0	30.2	27.9	19.0
Other	65.6	52.6	154.7	91.7
TOTAL	329.6	312.2	560.1	347.8
Trade Turnover	830.1	1032.4	1064.0	571.0
Trade Balance	+170.9	+408.0	-56.2	-124.6

TABLE 2

U.S.-ROMANIAN TRADE
January-March 1982, 1983
(Millions of Dollars)

US Exports	Jan-March 1982	Jan-March 1983*
Manufactured	20.7	4.7
Agricultural	56.6	41.6
Other	13.8	5.9
TOTAL	91.1	52.2

U.S. Imports	Jan-March 1982	Jan-March 1983
Manufactured	66.3	39.5
Agricultural	7.1	5.4
Other	17.5	42.2
TOTAL	90.9	87.1
Trade Turnover	182.0	139.3
Trade Balance	+0.2	-34.9

* Most Recent Figures Available

TABLE 3

LEADING U.S. EXPORTS TO ROMANIA
1978-82
(Millions of Dollars)

1982 Rank	1978	1979	1980	1981	1982
1. Soybeans	40.8	73.9	61.7	17.9	60.7
2. Yellow Corn	22.7	104.2	157.9	226.1	29.3
3. Cattle Hides	52.2	59.7	28.8	22.0	27.2
4. Soybean Oil-Cake	8.5	57.0	69.2	86.7	14.3
5. Bituminous Coal (low vol)	32.4	29.1	45.5	15.4	11.2
6. Sulfur	0.0	2.7	7.2	22.1	7.3
7. Bituminous Coal (non spec)	0.0	0.0	15.7	25.5	6.2
8. Phosphates	11.0	21.8	17.3	6.4	5.2
9. Autom. Data Equip. Parts	8.3	7.6	5.2	3.8	4.1
10. Barium Compounds	0.0	N	2.8	0.0	3.0
11. Geophysical Instruments	0.6	0.6	4.2	0.4	2.7
12. Polychloroprene Rubber	0.0	0.0	0.2	1.0	2.7
13. Measuring Instruments	0.1	0.0	N	0.3	2.7
14. Cyclic Hydrocarbons	0.0	0.0	N	0.0	2.3
15. Insecticides	0.4	N	N	2.7	2.3
SUBTOTAL	177.0	356.6	415.7	430.3	181.2
TOTAL EXPORTS	317.5	500.5	720.2	503.9	223.2

Note: N = Less than $50,000

TABLE 4

LEADING U.S. IMPORTS FROM ROMANIA
1978-82
(Millions of Dollars)

1982 Rank	1978	1979	1980	1981	1982
1. Gasoline	1.8	0.0	0.0	90.2	69.8
2. Naphthas	44.8	36.7	34.9	50.0	19.8
3. Oilwell Casings	0.0	3.5	4.8	15.0	14.0
4. Furniture	2.7	6.2	7.9	9.1	11.6
5. Tractors	0.0	0.0	6.6	10.5	11.3
6. Leather Footwear, cement	9.3	12.5	13.8	5.8	10.8
7. Men's Leather Footwear	1.4	2.2	0.3	1.3	10.0
8. Iron or Steel Pipe	0.0	0.0	0.0	0.0	6.8
9. Pork Hams and Shoulders	12.3	19.0	17.6	14.1	6.6
10. Leather Footwear (non spec)	4.1	5.9	8.1	8.5	6.2
11. Radial Ball Bearings	0.0	0.0	0.8	4.8	4.2
12. Wood Chairs	0.0	0.0	2.6	3.7	4.2
13. Men's or Boy's Suits	0.0	0.0	0.0	0.0	3.8
14. Tumblers, Goblets, Stemware	0.0	0.0	3.7	5.6	3.8
15. Yarns	2.1	2.3	2.3	2.8	3.8
SUBTOTAL	78.5	88.3	103.4	221.4	186.7
TOTAL	328.1	329.3	312.2	560.1	347.8

HUNGARIAN OVERVIEW

I. Trade Status

With the global recession and the financial difficulties in Eastern Europe this past year, total U.S.-Hungarian trade was $200.5 million (U.S. figures*), down slightly from $206 million in 1981. U.S. exports to Hungary also declined to $67.8 million, a drop of 7% over 1981 levels. U.S. imports from Hungary moderately increased from $128.6 million in 1981 to $132.7 in 1982.

Manufactured goods continue to dominate U.S.-Hungarian trade. Since 1978, U.S. exports of manufactured goods have steadily increased 8% per year to a point where they currently account for 86% of all U.S. exports to Hungary. Leading items in this category include tractor parts, gas compressors, glass rods, and gasoline engines.

A dramatic upturn in U.S.-Hungarian trade in 1983-84 is unlikely due to the continued cautiousness of Hungarian economic policies in the face of international economic uncertainties. Projections for Hungarian industrial and income growth are less than 1% for 1983. World Bank projects in agriculture and in the energy field, however, will provide significant major project opportunities for U.S. industry for the next several years. The USG will continue to aggressively work on behalf of U.S. companies to gain a larger share of Hungarian imports from the industrialized West.

II. Business Climate

Hungary remains a congenial place for U.S. business. Modifications in Hungarian commercial laws governing joint-ventures, free-trade zones, and new opportunities to establish small and medium-sized businesses have continued to provide a relatively open atmosphere for the conduct of business.

While only three U.S. companies have permanent offices in Budapest (Dow, National City Bank of Minneapolis, and IBM), a number of U.S. companies have expressed interest in locating offices in Budapest in the near future.

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*Due to a significant amount of transhipments through European ports and from subsidiaries of U.S. companies, U.S. Census figures differ from Hungarian official import statistics.

Due to the credit shortage felt throughout Eastern Europe this past year, Western suppliers encountered minor and temporary delays in payments during the summer months of 1982. These arrearages affected a handful of U.S. companies and were brought up-to-date by the beginning of the fall. To our knowledge no delays currently exist with U.S. companies.

As part of the measures Hungary has taken in response to the international financial and economic downturn of the past year, domestic investments have been reduced to 1976 levels; the Hungarian Forint was devalued 11%; and import restrictions were imposed on selected items (the U.S. Government is closely monitoring these restrictions and has urged the Hungarian Government through the GATT to eliminate them as soon as possible). As a result, end-1982 Hungarian current account figures showed improvement and prospects for 1983 do not indicate jeopardy for Hungary's finances.

Over the past year, Hungary was admitted to the IMF and to the World Bank, increasing its participation in the international financial community. Under the IMF's stabilization program, Hungary is implementing broad-ranging industrial and financial policies, enhancing the stability of its economy.

Domestically, Hungary is continuing the reform of its economy, decentralizing its large enterprises and expanding the number of Hungarian firms with foreign trading rights. Revisions to their joint-venture regulations and new laws establishing free-trade zones have strengthened Hungary's commercial attractiveness for Western businessmen.

U.S. investment in Hungary has expanded with the coming on-stream of the Eli-Lilly feed additive joint-venture, started in 1982. More recently, the American International Underwriters concluded a substantial insurance joint-venture providing coverage for both individual and commercial needs in Hungary. Hungarian direct investment into the U.S. includes Action-Tungsram (manufacturers of light bulbs), Taurus Tire Co., and the successful industrial cooperation with Crown Coach Corp. for the assembly and partial manufacture of articulated buses.

III. U.S. Hungarian Economic/Commercial Relations

Trade and economic cooperation between the United States and Hungary has developed through numerous bilateral agreements, the most important of which is the Trade Agreement of 1978, reciprocally extending Most-Favored-Nation status. Credits have been available to Hungary through CCC and Eximbank programs to finance U.S. exports. In 1982, $42 million in CCC credits were extended to Hungary for the purchase of U.S. soymeal and cotton, and Eximbank credits are available on a project-by-project basis.

The annual governmental review of U.S.-Hungarian bilateral trade relations is conducted through the Joint Economic and Commercial Committee (JECC). The JECC meetings held last fall in Budapest reviewed a wide range of trade issues and prospects for the expansion of bilateral trade. This past fall was also the occasion of the annual meeting of the Hungarian-U.S. Economic Council, sponsored jointly by the two countries' Chambers of Commerce as a means to facilitate contact between U.S. and Hungarian business groups.

A number of high level exchanges occurred between USG and Hungarian officials in 1982-83. The Economic Council meeting in 1982 brought Deputy Minister Ferenc Bartha and Central Committee Member Miklos Nemeth to Washington. This past winter, a thirteen-man delegation, including Chairman of the House Subcommittee on Trade Sam Gibbons, visited Hungary. Earlier this spring, Deputy Secretary of State Dam had the opportunity to consult with GOH leaders in Budapest. For the 1983 Economic Council meeting, Counselor of the Department of State Ed Derwinski, was part of the official U.S. delegation in Budapest. Under the formal bilateral frameworks developed over the past five years and through the informal exchanges of views on trade matters, U.S. and Hungarian Government officials, trade spokesmen, and business leaders have maintained a frank and open dialogue, characterized by business-like and pragmatic discussions.

TABLE 5

VOLUME AND COMPOSITION OF U.S.-HUNGARIAN TRADE
(Millions of Dollars)

US Exports	1979	1980	1981	1982
Manufactured	52.4	54.0	63.5	58.4
Agricultural	24.5	24.4	12.9	7.1
Other	0.7	0.6	1.1	2.3
TOTAL	77.6	79.0	77.5	67.8

US Imports	1979	1980	1981	1982
Manufactured	75.6	75.8	93.1	98.6
Agricultural	35.9	31.3	34.0	33.7
Other	0.7	0.4	1.5	0.4
TOTAL	112.2	107.5	128.6	132.7
Trade Turnover	189.8	186.5	206.1	200.5
Trade Balance	-34.6	-28.5	-51.1	-64.9

TABLE 6

U.S.-HUNGARIAN TRADE
January-March 1982, 1983
(Millions of Dollars)

US Exports	Jan-March 1982	Jan-March 1983*
Manufactured	18.7	7.5
Agricultural	2.6	13.1
Other	0.3	0.8
Total	21.6	21.4

US Imports	Jan-March 1982	Jan-March 1983
Manufactured	27.7	26.6
Agricultural	8.0	12.7
Other	0.0	0.0
Total	35.7	39.3
Trade Turnover	57.3	60.7
Trade Balance	-14.1	-17.9

*Most Recent Figures Available

TABLE 7

LEADING U.S. EXPORTS TO HUNGARY
1978-82
(Millions of Dollars)

1982 Rank	1978	1979	1980	1981	1982
1. Tractor Parts	0.0	3.2	5.3	4.3	5.4
2. Phosphatic fertilizers	0.0	0.0	0.0	0.0	5.1
3. Gas Compressors	0.0	0.0	0.0	0.0	3.9
4. Cattle Hides	4.1	5.4	2.1	3.0	2.3
5. Concen. Superphosphates	5.8	12.3	0.0	7.3	2.1
6. Glass Rods & Tubing	2.3	2.2	2.9	2.4	1.9
7. Gasoline Engines	0.0	0.1	0.7	1.1	1.5
8. Cardiovascular Drugs	0.0	N	1.7	1.1	1.1
9. Metal Forming Machine Tools	0.0	0.0	0.0	0.0	1.1
10. Bovine Leather	N	0.0	0.2	0.0	1.0
11. Insecticides	0.5	1.1	0.4	N	1.0
12. Elec. Articles (non spec)	0.1	0.3	0.3	0.7	0.9
13. Tractor & Implement Tires	N	0.6	0.6	0.7	1.0
14. Textured Yarns	0.0	0.0	0.0	0.4	0.9
15. Corn Seed	0.5	0.1	0.3	0.6	0.9
SUBTOTAL	13.3	25.3	14.5	21.6	30.1
TOTAL	97.7	77.6	79.0	77.5	67.8

Note: N = less than $50,000

TABLE 8

LEADING U.S. IMPORTS FROM HUNGARY
1978-82
(Millions of Dollars)

1982 Rank	1978	1979	1980	1981	1982
1. Pork Hams & Shoulders	22.0	22.8	21.8	22.2	20.5
2. Parts for Motor Vehicles	0.0	0.0	14.6	21.3	11.3
3. Lamps	4.5	8.1	7.0	8.7	10.7
4. Leather Footwear, Cement	4.3	4.8	8.7	6.1	9.1
5. Agricultural Tractor Parts	0.0	0.0	9.7	9.1	7.4
6. Motor Buses	0.0	0.0	0.0	10.0	4.2
7. Men's and Boys Apparel	0.0	0.0	0.0	0.0	4.1
8. Corn or Maize	0.7	0.6	0.0	1.3	2.4
9. Steel Sheet, Pickled	0.0	0.0	0.0	0.0	2.4
10. Women's, Girl's Suits	0.0	0.0	0.0	0.0	2.2
11. Men's Suitcoats	0.0	0.0	0.0	0.0	2.1
12. Sulfamethazine	0.0	0.0	0.4	0.6	2.0
13. Machines for Elec. Asmblv.	0.5	0.0	0.0	1.0	1.9
14. Aluminum Sheets & Strips	0.0	0.1	0.0	0.4	1.6
15. Pneumatic Tires	0.0	0.0	0.0	0.0	1.5
SUBTOTAL	32.0	36.4	62.2	80.7	83.4
TOTAL	61.4	112.2	107.5	128.6	132.7

TABLE 9

COMPARISON OF US AND HUNGARIAN STATISTICS FOR U.S. EXPORTS TO HUNGARY (1980, 1981, 1982)

(BY SINGLE DIGIT SITC REVISED - IN MILLIONS OF DOLLARS)

	1980			1981			1982		
Categories	US/Hung/Diff			US/Hung/Diff			US/Hung/Diff		
0-Food & Live Animals	19.4	38.1	18.7	3.2	23.7	20.4	2.0	11.0	8.9
1-Beverages & Tobacco	0.4	0.8	0.3	0.0	1.3	1.3	0.6	2.7	2.0
2-Crude Materials except fuels	4.7	45.8	41.1	9.9	24.3	14.3	5.6	10.9	5.3
3-Mineral Fuels, Lubricants	0.2	0.5	0.4	0.2	5.7	5.5	0.1	0.0	0.1
4-Animal & vegatable oils	0.1	0.0	0.1	0.1	0.0	0.1	0.0	0.7	0.7
5-Chemicals	9.1	53.9	44.7	15.9	45.9	29.9	14.5	45.6	31.0
6-Manufactured Goods	11.1	19.8	8.0	6.6	21.3	12.6	10.4	19.8	9.4
7-Machinery & Transport Equip.	25.5	64.3	38.8	34.3	87.6	53.2	27.4	80.8	53.3
8-Misl. Manufactures	6.7	17.1	10.4	4.6	20.6	15.9	6.0	23.2	17.1
9-Items N/Class	0.3	0.7	0.4	0.6	0.9	0.2	1.1	0.8	0.3
Total	78.0	241.0	163.00	77.5	231.3	153.7	67.8	195.5	127.6

OVERVIEW OF U.S.-CHINA TRADE

U.S. trade with China developed rapidly following diplomatic normalization in 1979. Total two-way trade, which had doubled between 1978 and 1979, and again between 1979 and 1980, continued to grow in 1981. Two-way trade in 1982, however, was only $5.2 billion, a decline of 5.5 percent from the $5.5 billion of 1981.

U.S. imports of Chinese goods as a percent of total trade have increased from 22 percent in 1980 to 34 percent in 1981, and to 44 percent in 1982. As a result, the U.S. trade surplus with China declined from a high of $2.7 billion in 1980 to $1.7 billion in 1981, and to $628 million in 1982.

Agricultural commodities have remained the predominant export to China since 1978. However, the share of agricultural products in U.S. exports to China has declined - from 70 percent in 1978 to 51 percent in 1982, reflecting a more rapid expansion of U.S. nonagricultural exports to China. Heading the list of U.S. nonagricultural sales in recent years were machinery and transport equipment, synthetic resin, fertilizers, kraft paper and paperboard, man-made fibers, wood pulp, and lumber products.

Although U.S. imports of Chinese agricultural goods grew steadily in recent years, their share in U.S. total imports from China declined from 30 percent in 1977 to 8 percent in 1982. (This pattern was temporarily distorted in 1981 by increased purchases of Chinese peanuts.) More than half of U.S. imports consisted of manufactured goods, principally textile products. Other leading manufactured goods imports included footwear, rugs, artworks, and antiques. The value of U.S nonmanufactured, nonagricultural imports from China has registered rapid increases, especially since 1979, largely because of purchases of Chinese petroleum and petroleum products. U.S. imports of these products in 1982 reached $600 million, 26 percent of total imports from China.

U.S.-China Trade, 1977-83
(In millions of U.S. dollars)

Year	Total trade	U.S. exports (fas)	U.S. imports (customs value)	U.S. balance
1977	374.0	171.3	202.7	- 31.4
1978	1,142.2	818.2	324.0	494.2
1979	2,308.8	1,716.5	592.3	1,124.2
1980	4,807.3	3,749.0	1,058.3	2,690.7
1981	5,493.9	3,598.6	1,895.3	1,703.3
1982	5,195.8	2,912.1	2,283.7	628.4
Jan-Feb 1983	857.4	477.6	379.8	97.8

U.S.-CHINA AGRICULTURAL TRADE

China was U.S. agriculture's sixth biggest export market in 1982. Exports consisting primarily of soft red winter wheat, corn, cotton and soybeans totaled $1.5 billion. In addition, China followed Japan as our No. 2 market for forest products with exports hitting $229 million - up over 139 percent from 1982's tally.

In recent years, agricultural commodities have accounted for over half of all U.S. exports to China. Under the U.S.-China Grain Agreement signed in 1981, China agreed to purchase a minimum of 6 mmt of wheat and corn annually over a four-year period. An agreement with China to develop scientific and technical cooperation in agriculture has been in effect since 1979.

This year, strains in U.S. Chinese economic and political relations and stiff sales competition from other exporting countries are combining to shrink what once was a burgeoning U.S. export trade in agricultural products to China. Following USG imposition of unilteral import controls on Chinese textiles on Janury 15, 1983, China announced that no further contracts for U.S. cotton and soybeans would be approved for 1983 and planned imports of other U.S. agricultural products would be reduced.

U.S. sales of soybeans and cotton were expected to be minimal this year anyway because of good crops and ample supply in China. As for grains, China is forecast to import 13.5 mmt of wheat and 2.5 mmt of corn from world-wide sources. However, intensified foreign competition has led us to expect total Chinese purchases of U.S. wheat and corn to be down from the 8.7 mmt the Chinese purchased in 1982.

The Chinese have traditionally been acutely price sensitive in their buying practices. Recently, they have been buying grain almost exclusively from third countries. However, we have no reason to believe that China will not honor the terms of the Grain Agreement as the year progresses nor even limit purchases to 6.0 mmt if U.S. prices are competitive again.

In 1982 the sales of U.S. solid wood products (primarily softwood logs and lumber) to China totalled $229 million-up dramatically from the total of $42 million in 1980, the first year of significant sales. The Chinese market represents over 7 percent of our total solid wood exports. In the absence of trade restrictions we expect sales during 1983 to grow to about $250 million.

TRADE IN SENSITIVE PRODUCTS

A record number of antidumping (5) and market disruption (2) cases have been filed against imports from the PRC in calendar years 1982-3. We anticipate that this trend of increasing trade friction will continue as our trade with China expands.

As a developing country, China tends to export products such as textiles, chinaware, shoes, etc., which have a history of sensitivity. Also, China is entering the U.S. market late and domestic industries have already had time to become politically organized in their efforts to defeat other importers such as Taiwan, Hong Kong, and South Korea. As a non-market economy country, there is a perception that China is not bound by the same market constraints as market economies in pricing its export goods.

A status report of market disruption and antidumping cases follows:

MARKET DISRUPTION

Mushrooms (Section 406): On November 29, 1982, the President broke a tie vote and accepted the opinion of the two ITC Commissioners that determined that there is no market disruption from canned mushrooms from the PRC.

Ceramic Dinnerware (Section 406): By a 4-1 vote, the ITC on August 3, 1982, found that imports of ceramic kitchenware and tableware from China were not disrupting the domestic market.

ANTIDUMPING CASES (1982-83)

Greige Cotton Polyester Printcloth: On March 3, the Commerce Department's Import Administration preliminarily determined that greige cotton polyester printcloth is being sold or is likely to be sold in the U.S. at less than fair value by a margin of 23.1 %. A final determination is due on July 22, 1983.

Cotton Shoptowels: A preliminary dumping decision was announced on March 22, 1983 against Chinese cotton shoptowels. In this case, it was determined that the foreign market value for shoptowels exceeded the U.S. price by a weighted average margin of 31.4%. A final determination is expected by August 10, 1983.

Mushrooms: A preliminary dumping decision was announced on May 20, 1983 against canned mushrooms from China. It was determined that the foreign market value for canned mushrooms exceeded the U.S. price by a weighted average margin of 7.38%. A final determination is due on August 1, 1983.

Potassium Permanganate: A preliminary decision is expected on August 1, 1983.

Chloropicrin

The ITC on May 23 announced its preliminary determination that imports of Chinese chloropicrin may be causing material injury to the U.S. industry.

The Import Administration will make its preliminary dumping determination by September 13, 1983.

U.S.-CHINA TEXTILE TRADE

China's textile exports to the U.S. grew rapidly from a small base during the 1970's to form the single largest category of goods imported from China in 1982. China has now become our fourth largest supplier, behind Taiwan, Hong Kong, and Korea, with annual growth rates of 40%, 73%, and 19%, respectively, for the years 1980 to 1982. The volume of U.S. imports from China rose from 324.7 million square yards equivalent (sye) in 1980, to 670.6 million sye in 1982. During this period, China's share of the U.S. import market rose from 6.3% to approximately 11% in 1982. Given the depressed state of the domestic market (industry profits down 50% in 1982 over 1981, unemployment up 20% in 1982 over 1981) and rapidly rising imports, the President is committed to curbing overall textile imports by relating total import growth to growth in the domestic market.

Because textile and apparel exports account for about 25% of China's total hard currency earnings and because they are expected to help finance the imports needed to spur its modernization efforts throughout the decade, China has taken a firm stance on textile matters. In addition, the Chinese continue to cite the large trade imbalance with the U.S. (approximately $6.6 billion from 1978-1982).

After four rounds of unsuccessful negotiatons -- beginning in August 1982 in Beijing -- the U.S. Government imposed unilateral import controls on Chinese textiles on January 18, 1983. In retaliation, China announced its intention to halt purchases of U.S. soybeans, cotton, and chemical fibers while simultaneously reducing "planned" imports of other U.S. agricultural goods. The actual impact of this move on U.S. exports is questionable, although nervousness has been expressed in various industry sectors (primarily grain, timber, and forest products).

Although the sixth round also concluded in April without agreement, significant progress was made and the atmosphere was positive and businesslike. While disappointed that agreement was not reached, both sides were hopeful that the next round of negotiations would be conclusive.

BUSINESS CLIMATE IN CHINA

We have raised business facilitation issues with the Chinese since the first session of the Joint Economic Commission in 1980. Although China has enacted some provisions for registration of foreign firms and has related internal travel restrictions, there remain a number of areas where business conditions can be improved.

Registration in China

In December 1980, the Chinese Government announced regulations governing the registration of foreign companies in China. So far, approximately 80 U.S. firms have registered with the General Administration for Industry and Commerce (GAIC).

In recent months, China has announced new supplementary regulations affecting the registration of foreign firms as well as regulations concerning the establishment of foreign financial institutions in Chinese cities. The new regulations restrict the activities and the kinds of firms allowed to establish permanent offices in China.

Customs

There continue to be variations in customs duties assessed in Chinese ports. Unreasonable delays are encountered while customs officials determine the duties to be assessed on equipment. Customs duties on office equipment sometimes exceed the equipment cost, and customs bonds posted at one point may not be redeemable upon exit from another city.

Cost of Services

Foreigners are still charged higher prices for equivalent services (restaurants, trains, etc.) and are often refused the option of alternative, less expensive services. Such practices of arbitrary high pricing make it more expensive and more difficult to conduct business in China than in other parts of Asia.

Office/Living Space

Office space is now limited to small hotel rooms, and rents are high enough to deter some companies from registering and maintaining offices. Housing is rented on a daily basis and is very expensive.

Telecommunications

More often than not, hotels are reluctant to permit the installation of office equipment like copying machines and telexes, thus making it difficult for companies to do business in China. When companies are allowed to install telex machines in their hotel rooms and offices, the Chinese charge very high installation fees.

CHINA'S FOREIGN INVESTMENT CLIMATE

Since 1979, the Chinese government has taken a very positive attitude towards foreign direct investment in China. The Chinese have been particularly interested in investment because they view it as an attractive alternative to commercial borrowing. At the urging of the foreign business community, the Chinese have made some progress in establishing a legal and regulatory framework which is attractive to foreign investors. To date, however, the results in terms of foreign capital inflows have probably fallen short of what China's planners had originally hoped.

Through the end of 1981, forty equity joint ventures had been approved with a total value of about $190 million (of which only about $95 million was contributed by foreign parties). The Chinese have established four "Special Economic Zones" (i.e., export processing areas) which have had some success in attracting investors--many through arrangements with Hong Kong firms in various types of coproduction schemes. These arrangements normally do not involve foreign equity participation and usually include a time limit on the foreign involvement. Total investment of this type amounted to approximately $1.9 billion through mid-1982; the foreign component was about $950 million.

The Chinese have tried to create a more attractive foreign investment climate in recent years although the cancellation of some major projects involving foreign participation in 1980 had a negative effect. At the fall 1982 12th Party Congress and in the recently released Sixth Five-Year plan, however, Chinese leaders have stressed the need for foreign capital in agriculture, energy, and infrastructure projects and in the rebuilding of old factories. In addition, labor is cheap and readily available, even though training may be necessary. Natural resources are also excellent although their development has been limited by an inadequate transportation network and limited capital resources. China's foreign exchange reserves (more than $10 billion) and debt/service ratio (less than 7 percent) are very healthy. In fact, China's current policy on foreign borrowing is regarded by some as almost too conservative, and China now is a net creditor to the world.

Balancing off these positive factors, however, are still many disincentives to investment. There are a number of gaps in current laws and regulations, particularly in the area of patent protection, contract laws, dispute settlement arrangements, and profit remittances and other types of transfers. In addition, many investors have run into serious frustrations, both in dealing with the Chinese bureaucracy, particularly in obtaining necessary approvals in a timely fashion, and in providing up-front expenses before commitments are made. The difficulty in dealing with the Chinese bureaucracy has been an important reason why foreigners have preferred contractual joint ventures as opposed to equity participation.

Some of these problems, such as those of transfers, could be resolved through negotiation of a Bilateral Investment Treaty (BIT). China has signed BITs with Sweden and Romania and is currently discussing treaties with Germany, France, Switzerland and Japan. The U.S. and China are scheduled to begin negotiation of a Bilateral Investment Treaty in Beijing June 1-3.

EXPORT CONTROLS

Since 1980, U.S. export control policy toward China has undergone periodic review and liberalization. In April 1980, a new country group "P" was established for China. This removed China from the more restrictive country group "Y", which includes the USSR and certain East European countries, and allowed the sale of certain U.S. dual-use items to China.

In June 1981 the Administration adopted a significantly liberalized policy toward China. The new policy reduces administration restrictions on U.S. exports to China, permitting sales of items at significantly higher technical levels than allowed in the past. More specifically, there is a presumption of approval for products with technical levels twice those previously approved, while cases above the "double" threshold will be considered on a case-by-case basis.

In December 1981, guidelines were published implementing that new policy. These guidelines included advisory notes which listed levels of about 30 items which would likely be granted export licenses for China. These include certain computers, optical equipment, microprocessors, and data communications equipment.

For the past several months the Administration has been further reviewing its policy. This review has led to a decision, announced in June, to move China from Country Group P to Country Group V under the export administration regulations. This change will be put into effect over the coming months after an intensive technical review sets new technical guidelines for exports to China and after consultation with our Allies.

The move from Country Group P to Group V is intended to emphasize that sales to China should take place on a similar basis as to most other friendly countries. However, the change will allow for restrictions on certain products and technologies which present a national security concern to the United States. Although export license applications for China will continue to be reviewed under national security procedures, the new guidelines will identify clearly the high technology items which can be licensed expeditiously for China.

The changes will help further U.S. goals in relations with China. They are designed to make the process of export licensing more consistent, predictable, and expeditious for U.S. exporters. They are in keeping with a U.S. policy of support for China's modernization and of encouraging participation by U.S. firms in that modernization effort.

CHINA'S MAJOR PROJECTS AND INVESTMENT PRIORITIES

The most recent public statement of China's investment priorities was contained in the Sixth Five-Year Plan (1981-85), excerpts of which were released last December. According to the plan, a total of $154 billion will be invested in capital construction in the five-year period. Top priorities are given to energy and transport. The energy sector will receive over 25 percent of total investment - the coal industry, 7.8 percent; petroleum, 6.7 percent; electric power, 9 percent; and energy conservation, 2 percent. The transport and telecommunications sector is to receive 13 percent of total investment, with the major share (7.5 percent) going to railway projects. Other priority sectors include metallurgy (7.6 percent of total investment), agriculture (6.1 percent), textile and other light industries (6.1 percent), chemicals (5 percent), and building materials (3.2 percent). In addition, funds totaling $87 billion are earmarked for upgrading and refurbishing existing enterprises.

During the 1981-85 period, 890 large and medium-sized construction projects will be undertaken. Four hundred of them are to be completed before the end of 1985, and the rest will be carried over into the next five-year plan period. Among these projects will be 28 large coal mines, each with an annual capacity of over one million tons; 15 hydroelectric stations, each with an installed capacity of 400 MW or more; 45 thermal power stations, each with an installed capacity of 200 MW or more; one nuclear power plant with an installed capacity of 300 MW; and 132 deep-water berths to be built in 15 harbors. In addition, there will be new railways (2,000 kilometers) and double-tracking and electrification of the existing railways (1,700 and 2,500 kilometers, respectively), as well as a number of new industrial installations.

The Sixth Five-Year Plan reaffirms China's commitment to an "open economic policy", encouraging the use of foreign capital for Chinese projects. The joint venture law enacted in July 1979 permitted, for the first time since 1950, foreign firms to own equity shares in Chinese businesses. So far, more than 50 joint equity ventures have been formed in China. The earliest involvement by American companies was in two hotel projects - the Jianguo Hotel and the Great Wall Hotel, both in Beijing. These were followed by a $4.9 million investment by Foxboro Co., Foxboro, Mass. for production of instruments and meters in Shanghai, and a $4 million investment by Squibb Corporation, New York, for production of pharmaceutical products, also in Shanghai. Recently, the Baker Marine Corporation, Ingleside, Texas, signed an agreement with China to jointly build a semi-submersible drilling rig in the Jiangnan shipyard in Shanghai, and Beatrice Foods Co. has participated in a joint venture in Guangzhou. Occidental Petroleum Corporation has just completed a feasibility study for the huge open pit coal agreement with the Chinese to form a potentially large joint venture for coal development.

EXIMBANK AND OPIC PROGRAMS FOR CHINA

EXIMBANK

The Eximbank in 1980 negotiated a procedural agreement with the PRC outlining channels of communication between the Eximbank and the PRC, the information required in support of loan applications, and information to be supplied to Eximbank about trends in the national economy.

Since the agreement, Eximbank has loaned or guaranteed private loans to the Bank of China for a total of $125.6 million, supporting $156.7 million of U.S. exports. These loans apply to three projects involving the generation of electrical power and the manufacture of cold-rolled steel.

No additional applications are pending at this time. However, Occidental Petroleum Co. has approached Eximbank and the Bank has inititated contact with the Bank of China concerning the next steps for arranging export financing for the Occidental-PRC joint venture for the An Tai coal mine.

In addition to long-term direct loans, Eximbank also has programs available to support exports of items which are typically financed on short and medium terms. These programs involve export credit insurance (through the Foreign Credit Insurance Association) for transactions financed by exporters, and medium-term guarantees for transactions financed by commercial lending institutions. Notwithstanding Eximbank's willingness to finance exports to China through these programs, the Bank of China has thus far not made use of them.

OPIC

OPIC has provided political risk insurance to eight American companies covering about $28 million in long-term investment in China. Another twenty-five American investors have registered their projects, representing about $300 million of prospective investment. In addition, several large oil, gas and mineral projects are registered. In FY 1983 OPIC will probably cover another four to six projects.

In addition, OPIC has approved the financing of three feasibility studies in China with a total cost of $40,000. One in the food processing sector has been completed and the firm is proceeding with an investment which will total about $8 million. Two others in the light industry sector are now in process, and if completed will result in projects representing a total investment of over $5 million.

To date OPIC has not received any formal request for assistance under its direct loan or investment guaranty programs involving projects in China. However, it has been approached informally about a $2 million investment project.

PATENT, TRADEMARK AND COPYRIGHT PROTECTION IN CHINA

Patents

China has drafted a patent law and already has a sizeable staff engaged in preparatory work for establishing the Chinese Patent Office. The U.S. Patent and Trademark Office has assisted the PRC by providing training for Chinese nationals and by donating documents for the PRC Patent Office. The lack of patent protection has been an important impediment to U.S. companies which would otherwise be willing to transfer technology to the PRC.

Chinese representatives have stated that patent protection will not be available for chemical compounds. This will discourage U.S. pharmaceutical and agricultural chemical companies from dealing with China.

Trademarks

On August 23, 1982, China promulgated a new trademark law and later promulgated implementing regulations. This new law incorporated existing practices that were not defined in the prior law and added important provisions such as the definition of infringement, that were absent from the prior law and practice. While on the whole the new law and regulations are an improvement, clarification of several provisions is desirable.

Copyrights

During a 1981 visit by the Register of Copyrights, representatives of the Publishers Association of China (PAC) indicated that China was finally committed to the promulgation of a domestic copyright law and would look toward ultimate adherence to the Universal Copyright Convention (UCC) at a later stage.

U.S. publishers have been generally patient and supportive of the PRC effort to draft a copyright law, perhaps because there have been only a few reports of systematic or large-scale piracy. And, where unauthorized editions have been brought out, the PRC has not so far sought to distribute copies in other markets.

Recently, PRC publishers have requested for review copies of 13 U.S. non-fiction works. They have indicated they will seek licenses for those works which they wish to translate and publish. Additionally, in October 1982, the former President of the U.S. Authors League explored with PRC publishers the possibility of an interim arrangement between U.S. authors/publishers and PRC translation houses. He basically proposed a "Gentlemen's Agreement" along the lines of prior arrangements with the USSR (never generalized to all works) and other states with whom we did not have copyright relations. To date, the Author's League has not followed up on the initiative.

TABLE 1

VOLUME AND COMPOSITION OF U.S.-CHINA TRADE 1979 - 1983

(Millions of U.S. Dollars)

U.S. EXPORTS	1979	1980	1981	1982
Manufactured Goods	653.0	1,225.9	1,138.8	1,071.7
Agricultural Commodities	990.2	2,209.5	1,956.3	1,498.0
Other	73.3	316.3	507.6	342.4
TOTAL	1,716.5	3,751.7	3,602.7	2,912.1
U.S. IMPORTS				
Manufactured Goods	361.9	733.3	1,164.2	1,432.4
Agricultural Commodities	88.0	136.2	333.6	175.5
Other	142.4	206.4	410.4	675.8
TOTAL	592.3	1,075.9	1,908.2	2,283.7
Trade Turnover	2,308.8	4,827.6	5,510.9	5,195.8
Trade Balance	+1,124.2	2.675.8	1,694.5	+ 628.4

TABLE 2

U.S.-CHINA TRADE

January - March, 1982 & 1983
(Millions of U.S. Dollars)

U.S. EXPORTS	Jan - Mar. 1982	Jan. - Mar. 1983
Manufactured Goods	313.4	332.6
Agricultural Commodities	506.3	281.8
Other	85.4	54.3
TOTAL	905.1	668.7
U.S. IMPORTS		
Manufactured Goods	365.5	381.7
Agricultural Commodities	50.8	44.5
Other	140.3	108.1
TOTAL	556.6	534.3
Trade Turnover	1,461.7	1,203.0
Trade Balance	+348.5	+134.4

TABLE 3

LEADING U.S. EXPORTS TO CHINA, 1978-82
(Millions of U.S. Dollars)

1982 Rank		1978	1979	1980	1981	1982
1	Wheat	250.2	214.1	1,093.3	1,269.0	1,046.7
2	Synthetic Resins	1.3	29.7	110.7	158.4	236.1
3	Logs		0	41.4	88.2	211.9
4	Corn	111.7	268.5	224.5	62.6	189.4
5	Cotton	157.3	357.0	701.3	463.7	177.8
6	Fertilizer	38.7	44.6	149.8	127.9	147.0
7	Yarns & Thread of Nylon, Polyester, etc.	1.3	22.4	52.1	177.9	121.7
8	Polyester Fibers	46.4	62.4	197.9	323.9	95.5
9	Measuring & Controlling Instruments	11.2	42.3	40.1	50.9	63.2
9	Soybeans	15.3	106.7	155.2	129.7	63.2
10	Bovine Leather (rough)	0	3.4	14.7	20.9	56.7
11	Parts for Oil & Gas Field Equipment	31.5	54.2	22.7	28.1	44.2
12	Kraft Paper & Paperboard	0.4	2.5	98.2	52.0	35.7
13	Compound Catalysts (unspecified)	.3	1.2	1.5	5.4	25.7
14	Insecticides	2.5	3.6	25.6	25.0	22.5
15	Copper	4.4	5.6	0	0	21.8
	Subtotal	672.5	1,218.2	2,975.0	2,983.4	2,559.1
	Total U.S. Exports to China	818.2	1,716.5	3,751.7	3,602.7	2,912.1

Source: U.S. Census Bureau

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5	Cotton	157.3	357.0	701.3	463.7	177.8
6	Fertilizer	38.7	44.6	149.8	127.9	147.0
7	Yarns & Thread of Nylon, Polyester, etc.	1.3	22.4	52.1	177.9	121.7
8	Polyester Fibers	46.4	62.4	197.9	323.9	95.5
9	Measuring & Controlling Instruments	11.2	42.3	40.1	50.9	63.2
9	Soybeans	15.3	106.7	155.2	129.7	63.2
10	Bovine Leather (rough)	0	3.4	14.7	20.9	56.7
11	Parts for Oil & Gas Field Equipment	31.5	54.2	22.7	28.1	44.2
12	Kraft Paper & Paperboard	0.4	2.5	98.2	52.0	35.7
13	Compound Catalysts (unspecified)	.3	1.2	1.5	5.4	25.7
14	Insecticides	2.5	3.6	25.6	25.0	22.5
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Source: U.S. Census Bureau

TABLE 4

LEADING U.S. IMPORTS FROM CHINA, 1978-82
(Millions of U.S. Dollars)

1982 Rank		1978	1979	1980	1981	1982
1	Gasoline	0	21.6	81.8	258.7	336.9
2	Women's, Girls' and Infants outer garments	16.6	42.9	77.7	158.8	238.9
3	Crude Petroleum	0	71.8	18.8	0	198.0
4	Men's and Boys' outer garments	10.4	24.9	35.7	58.9	110.5
5	Misc. Manufactured Articles	19.6	23.8	50.6	86.7	92.3
6	Sweaters and other knit outerwear	9.1	15.6	59.4	49.1	81.0
7	Made-up articles of textile materials NSPF	5.7	7.7	27.7	56.6	78.3
8	Woven cotton fabric	37.6	23.2	46.1	86.7	73.8
9	Undergarments (not knit)	10.0	20.2	33.4	54.2	72.6
10	Napthas	0	3.0	30.9	36.7	62.8
11	Floor coverings	13.2	18.4	50.7	67.5	53.9
12	Underwear (knit)	3.7	8.7	14.0	28.0	46.0
13	Prepared or preserved vegetables	1.6	2.0	18.4	33.7	44.2
14	Nonferrous metals	2.3	8.3	25.0	33.6	38.6
15	Footwear	3.3	13.9	22.4	38.7	37.8
16	Tin	15.5	2.7	13.8	22.3	35.5
17	Fireworks	12.1	15.6	23.2	24.7	[illegible]
	Subtotal	160.7	324.3	933.6	1512.4	163[illegible].2
	Total U.S. Imports from China	316.7	592.3	1075.9	1908.2	2283.7

Source: U.S. Censusu Bureau

Chairman GIBBONS. Good morning, ladies and gentlemen.

I think, as most of you know, the House went a little late last night. This committee was tied up on the House floor until around 9 o'clock, and we have to be over there at noontime today to finish legislation that we are handling.

Therefore, I am going to have to ask everyone to limit their oral testimony to 5 minutes, in which I expect them to summarize, not read, summarize their statement. Entire statements will appear in the record.

The purpose of this hearing today is to comply with the law that I believe the U.S. Supreme Court has declared unconstitutional. We are still studying the impact of that decision and trying to determine what to do. It is the Chair's intention later on after we have gotten a thorough chance to review this matter, to go back and review the statute and see what can be done to comply with the constitutional mandate.

But this testimony today will be limited strictly to the comments upon the President's recommendation that MFN be extended, or the President's extension of MFN to Hungary, Romania, and the People's Republic of China, and it will be limited to the terms of the Jackson-Vanik amendment.

I would like to welcome representatives from the administration and other public witnesses who have come to present their views on the President's June 3 recommendation. I regret to say that in view of the limited time available to hear witnesses, that this group does not represent all of those who expressed interest in appearing here this morning. Many of those who could not appear at this hearing, some very distinguished groups, will be submitting written satements to the subcommittee. I—and I'm sure all members of the subcommittee—will carefully study the views of each group. Because we were unable to hear some individuals or groups personally does not in any way indicate that their views will be of less significance to us during our deleberations on this issue. The Subcommittee on Trade has taken seriously over the past 8 years its obligations under the Trade Act to monitor closely the emigration situation in all three of the countries in order to insure that freedom of emigration objectives are met. We, of course, welcome all information on this subject. Let me ask Mr. Frenzel if he has any statement he would like to make.

Mr. FRENZEL. No, thank you, Mr. Chairman.

Chairman GIBBONS. Our first witnesses this morning come from the U.S. Department of State: Mr. Mark Palmer; Mr. Donald Anderson; U.S. Trade Representative, Mr. William C. Triplett; U.S. Department of Commerce, Mr. Franklin Vargo; the U.S. Department of Treasury, Mr. Stephen J. Canner.

All right. The first witness is Mr. Mark Palmer.

STATEMENT OF MARK PALMER, DEPUTY ASSISTANT SECRETARY FOR EUROPEAN AFFAIRS, DEPARTMENT OF STATE

Mr. PALMER. Mr. Chairman, Mr. Frenzel, we welcome this opportunity to appear before your committee.

My prepared testimony on Romania and Hungary would take about 15 minutes to read, and in anticipation of what you have just said, Mr. Chairman, we prepared shorter versions, an oral summary.

Chairman GIBBONS. All right. Your entire statement, including your oral summary, will appear in the record.

Mr. PALMER. Mr. Anderson, as you said, of the Office of Chinese Affairs will also give an oral summary of the written testimony he is submitting.

Continued MFN treatment for Romania and Hungary should be viewed within the context of our policies toward the countries in Eastern Europe. Although these countries share similar political and economic systems, the great diversity of their history, culture, and ethnic composition remains. U.S. policy through successive administrations has been to deal with Eastern European countries as separate and distinct entities, to support their national aspirations, and to encourage foreign policy independence and observance of human rights.

We do not ignore or downplay the numerous disagreements, especially regarding human rights, which we have with the countries of the area. However, we seek to improve relations with those countries which demonstrate the desire and ability to reciprocate. We also expect those governments which desire the benefits of improved relations with the United States to play a constructive role in international affairs and meet their human rights commitments.

Within this broad context, I will now turn to Romania and Hungary. At this time last year, Romania's serious economic crisis was a major preoccupation for them. Now the worst of Romania's economic and financial difficulties appears to be past, although longer term problems remain.

Through aggressive efforts to increase exports and by continuing stringent controls on imports, Romania attained a trade surplus of $1.5 billion in 1982. The rescheduling of private and government debts in 1982 and 1983 helped make Romania's debt problems more manageable. The medicine has been strong and the effects on the internal economy severe, but Romania is tackling its economic problems in a serious manner.

Despite the problems it has faced, Romania in 1982 continued to take positions different from those of the Soviet Union on a number of foreign policy issues and to pursue diversity in its trade and economic relations. It remains our policy to support Romania's efforts to enhance its economic autonomy and to encourage independence in its foreign policy and greater responsiveness on human rights and emigration.

The main focus of today's hearing regarding Romania is that country's emigration performance. The President's determination that continuation of the waiver permitting MFN tariff treatment for Romania will substantially promote freer emigration takes into account the number of emigrants receiving permission to leave Romania, as well as the manner in which intending emigrants are treated. Our primary interest is to insure that individual Romanians are free to emigrate, provided that other countries are prepared to receive them.

Overall emigration from Romania in 1982 reached its highest level in many years. Over 15,000 people received visas for immigration to the United States, Israel, and the Federal Republic of Germany from the Embassies of those three countries in Bucharest.

In the case of the United States at least, the Romanian Government approved considerably more people for departure than we were actually able to accept during 1982. Emigration levels to the United States, Israel, and the FRG for the first 5 months in 1983 were slightly higher than for the same period last year.

At the same time, the Romanian Government announced on October 22, 1982, a decree under which all emigrants were to be required, inter alia, to repay, in convertible currency the costs of their education and training beyond the compulsory level before they could leave. We made clear to the Romanians from the outset that the decree was contrary to the letter and spirit of the Jackson-Vanik amendment. Extensive bilateral discussions took place this spring, leading to the understanding between Presidents Reagan and Ceausescu referred to in the President's transmittal message to the Congress on MFN.

Since then, the Romanian Government has stopped requiring emigrants to any destination to repay their education costs as a precondition to emigration and has undertaken not to create economic or procedural barriers to emigration. We welcome these steps which, together with Romania's substantial number of emigration approvals, serve as the basis for the President's determination. We of course expect the nonapplication of the education tax to continue indefinitely.

We do not expect all problems with Romania's performance in emigration to disappear immediately. However, there has been progress, and we believe that the continuation and strengthening of the existing framework of bilateral, political, and economic relations with Romania offer the best possibilities for further progress and for resolving whatever difficulties do arise. It will enhance our ability to intervene successfully on behalf of the highest priority emigrants, those who could receive permission promptly to enter the United States once their exits had been approved. We will be giving particular emphasis to such cases over the coming months.

Let me now turn to Hungary. The United States-Hungarian relationship has shown steady improvement over the last several years. We have been able to maintain a constructive and frank political dialog that has enabled our countries to better understand and communicate with each other.

The Hungarian Government continues to take a cooperative approach toward emigration applications. All official divided family cases which we have raised have now been resolved. While Hungarian law grants permanent departure rights only to those over 55, in practice the majority of those applying to emigrate receive permission reasonably quickly and easily.

Trade is a central element in our relations with Hungary, and the extension of MFN treatment in 1978 has been a significant factor in the development of our bilateral trade and economic ties. Although total U.S. trade with Hungary was down slightly last year due to the global recession and financial difficulties in many Eastern European countries, Hungary avoided the severe economic and financial problems experienced by some of its neighbors.

Hungary has agreed to reciprocal reductions in tariffs, which have increased export opportunities for U.S. firms. In addition, Hungary has formally adhered to many of the multilateral codes on nontariff trade barriers and the international arrangement negotiated during the Tokyo round.

We believe that MFN has been beneficial to the United States as well as to Romania and Hungary. While problems still exist, to a greater or lesser degree, in the emigration area, it is clear that there has been significant progress in both countries on emigration since MFN was first granted. With the continuation of MFN, we believe that further progress will be possible.

Thank you.

[The prepared statement follows:]

STATEMENT OF MARK PALMER, DEPUTY ASSISTANT SECRETARY FOR EUROPEAN AFFAIRS, DEPARTMENT OF STATE

Mr. Chairman, I welcome this opportunity to testify for the Administration concerning the extension of the President's waiver authority under section 402 of the Trade Act of 1974 and continuation of the specific waivers permitting Most-Favored-Nation (MFN) tariff treatment for Romania, Hungary and China. In my testimony today I will address the waivers for Romania and Hungary, while Mr. Anderson, my State Department colleague, will discuss the waiver for China.

Continued MFN treatment for Romania and Hungary should be viewed within the context of our policies toward Eastern Europe as a whole. Despite certain important similarities among the countries of this region, the differences among them are significant and may become more so. Although all of these countries share similar political and economic systems, imposed from the outside after World War II, and belong to the same military and economic organizations, the great diversity of their history, geography, languages, culture, religion and ethnic composition remains. Each has maintained a strong sense of national pride and, despite strong pressures to submerge their independent character, each frequently has found means to express its national identity, both at home and in its foreign relations. It has been the policy of the United States through successive administrations to deal with the countries of Eastern Europe as separate and distinct entities, and to support their aspirations to achieve their national destinies.

In pursuing our policies in Eastern Europe we do not ignore or downplay the numerous disagreements we have with the countries of the area. In particular, we have maintained our commitment to speak out concerning the many violations and abuses of human rights in the region. Our policies toward Eastern Europe do, however, take into account the diversity among the separate national entities and the forces for change, as well as the forces striving to maintain the status quo. We seek to improve relations with those governments which demonstrate both the desire and the ability to reciprocate. We also expect that the governments of Eastern European countries which desire the benefits of improved relations with the United States, particuarly in the economic area, will play a constructive role in international affairs and be prepared to meet their international commitments in the human rights field.

Within the broad context I have outlined, I will now turn to Romania and Hungary.

At this time last year a major preoccupation concerning Romania was that country's serious economic crisis. Like many other countries in Eastern Europe and elsewhere, Romania was facing severe external debt problems at a time when demand for its exports had fallen, due in part to the sluggishness of the international economy as a whole. The tight financial situation made it difficult for Romania to meet its foreign obligations in a timely manner and resulted in severe constraints on imports, for industry as well as for the consumer.

A year later, it can be said that the worst of Romania's current economic and financial difficulties appears to be past, although longer-term problems remain. Through aggressive efforts to increase exports and continuing stringent controls on imports, Romania was able to attain a trade surplus of $1.5 billion and a current account surplus of about $659 million in 1982. The rescheduling of private and government debts in 1982 and 1983 has helped make Romania's debt problems more manageable. The medicine has been strong and the effects on the internal economy, including the long-suffering consumer, severe, but we are encouraged by Romania's willingness to tackle its economic problems in a serious manner and by the progress that has been made.

Despite the problems it has faced, Romania in 1982 continued to take positions different from those of the Soviet Union on a number of foreign policy issues and to pursue diversity in its trade and economic relations. It remains our policy to support Romania's efforts to enhance its economic autonomy, and to encourage independence in its foreign policy and greater responsiveness on human rights and emigration, including the sensitive issue of family reunification. In this regard, we are pleased to note that at the Madrid CSCE Review Meeting Romania recently endorsed a number of Western suggestions for improvements to the Neutral and Nonaligned draft concluding document, including the proposal to convene an experts meeting on human contacts.

The main focus of today's hearing where Romania is concerned is that country's emigration performance. The President's determination that continuation of the waiver permitting MFN tariff treatment for Romania will substantially promote freer emigration, as required under the Trade Act of 1974, takes into account the number of emigrants who have received permission to leave Romania as well as the manner in which all those who seek to emigrate are treated. Our primary interest is in ensuring that individual Romanians are free to emigrate, provided that other countries are prepared to receive them. This is fully consistent with the provisions of the Universal Declaration on Human Rights and the Final Act of the Conference on Security and Cooperation in Europe, both of which Romania signed.

Overall emigration from Romania in 1982 reached its highest level in many years. Over 15,000 people received visas for emigration to the United States, Israel and the Federal Republic of Germany from the embassies of those three countries in Bucharest—2,381 for the U.S., 1,474 for Israel and 11,546 for the FRG. Romania, as you are aware, is the only Warsaw Pact country which maintains diplomatic relations with Israel. In the case of the U.S. at least, the Romanian Government approved considerably more people for departure than we were able to accept during 1982. Smaller numbers of people left for other countries. The emigration levels to the U.S., Israel and the FRG for the first five months of 1983 are slightly higher than for the same period last year.

At the same time, the Romanian Government announced on Octobr 22, 1982, a decree under which all emigrants were to be required, inter alia, to repay, in convertible currency, the costs of their education and training beyond the compulsory level before they could leave. We made clear to the Romanians from the outset that the decree was a serious impediment to emigration and contrary to the letter and spirit of the Jackson-Vanik Amendment. Implementation of the decree began in February, 1983. On March 4, the President announced his intention to terminate MFN on June 30 if Romania did not cease applying the education tax by that date. In the following months, extensive bilateral discussions took place leading up to the understanding between President Reagan and President Ceausescu referred to in the President's transmittal message to Congress on MFN.

In connection with that exchange, the Romanian Government has stopped requiring emigrants to any destination to repay their education costs as a precondition to emigration and has undertaken not to create economic or procedural barriers to emigration. In addition, the Romanian Government has stated recently that applications for emigration currently are being processed within six months and that those who apply for emigration are not subjected to any kind of discrimination by the authorities. Nevertheless, we share concerns expressed by the Congress in the past about Romanian emigration procedures, especially the length of time taken to process applications and the harassment of applicants, and are watching Romania's performance closely. The United States welcomes these reported steps which, together with Romania's substantial number of approvals for emigration to Israel and other countries, serve as the basis for the President's determination. We, of course, expect the non-application of the education tax to continue indefinitely. However, should it be reimposed at any time, the Romanian Government is fully aware that such an action would result in the prompt termination of MFN by the President.

The Romanian Government has also indicated its willingness to continue bilateral discussions on the question of emigration procedures. It is our hope that in view of the above factors, the way will now be open to further progress in emigration, human rights and other areas of mutual interest and concern. The fact that the Romanian Government recently has reached understandings on emigration with the FRG and Israel which both of those countries consider satisfactory is another important, positive sign. We do not expect that all problems with Romania's performance in emigration will disappear immediately. However, there has been progress and we believe that the continuation and strengthening of the existing framework of bilateral political and economic relations with Romania offers the best possibilities for further progress and for resolving in a satisfactory manner whatever difficulties do arise. It will enhance our ability to intervene successfully on behalf of the highest priority emigrants, those who have immediate family in the United States or who could otherwise receive permission promptly to enter the U.S once their exits had been approved. Over the coming months we will be giving particular emphasis to such cases, which appear on our Embassy's quarterly representation list.

Let me now turn to Hungary. The U.S.-Hungarian relationship has shown steady improvement over the last several years. We have been able to maintain a constructive and frank political dialogue that has enabled our two countries to better understand and communicate with each other. Not only Administration officials but also Congressional leaders have participated in exchanges between Washington and Budapest. We believe that these direct, personal contacts are important in the development of mutual understanding and the dispersion of possible residual prejudices.

The Hungarian Government continues to take a cooperative approach toward emigration applications. All of the official divided family cases which we have raised have now been resolved. While Hungarian law grants permanent departure rights only to persons over the age of 55, in practice the substantial majority of all Hungarians who do apply to emigrate receive this permission reasonably quickly and without great difficulty. We follow this human rights issue very closely and the Hungarian Government is fully aware of our concerns on this and other related matters.

Trade is a central element in our relations with Hungary, and the extension of Most-Favored-Nation (MFN) tariff treatment in 1978 has been a significant factor in the development of our bilateral trade and financial ties. Although total U.S. trade with Hungary was down slightly last year (from $206 million in 1981 to $201 million in 1982) due to the global recession and financial difficulties in many Eastern European countries, Hungary avoided the severe economic and financial problems experienced by some of its neighbors. In large part Hungary's relative success was due to its continuation of economic reforms which increased reliance on market forces and decentralization of management along with greater participation in the international financial order as Hungary became a member of the International Monetary Fund and the World Bank. The Administration, therefore, supports the continuation of Hungary's MFN tariff status.

Hungary, for its part, has agreed to reciprocal reductions in tariffs, which have increased export opportunities for U.S. firms. In addition, Hungary has formally adhered to many of the multilateral codes on non-tariff trade barriers and the international arrangement negotiated during the Tokyo round.

We believe that MFN has been beneficial to the United States, as well as to Romania and Hungary. While problems still exist, to a greater or lesser degree, in the area of emigration, there has been significant progress since MFN was first granted. With the continuation of MFN, we believe that further progress will be possible. Conversely, the termination of MFN would serve neither the cause of free emigration nor of human rights in general.

Chairman **Gibbons**. Thank you, sir.

Our next witness is Mr. Anderson of the Bureau of East Asian Affairs.

STATEMENT OF DONALD ANDERSON, DIRECTOR, OFFICE OF CHINESE AFFAIRS, BUREAU OF EAST ASIAN AFFAIRS, DEPARTMENT OF STATE

Mr. **Anderson**. Thank you, Mr. Chairman. I welcome this opportunity to testify before this subcommittee as part of an administration panel concerning extension of the President's general waiver authority under section 402(c) of the Trade Act and continuation of the specific waivers permitting most-favored-nation treatment for China, Hungary, and Romania.

My colleague, Mr. Palmer, has already addressed the waiver for Hungary and Romania. My testimony will address the waiver for China.

In the past several years, U.S. bilateral ties with China have expanded exponentially. Our economic relations have been at the forefront of this process. Trade figures illustrate the importance of our trade with China. Two-way trade in 1982 amounted to $5.2 billion—a fivefold increase over 1978, with a favorable surplus to the United States of some $600 million.

Since 1978, trade with China has resulted in a cumulative U.S. trade surplus of about $7 billion. Last year, China was our largest market for wheat and our sixth largest customer worldwide for agricultural products. Opportunities for joint ventures continue to grow, particularly in the field of energy and natural resources. Fifteen U.S. companies are in various stages looking to participation in oil exploration in the South China Sea. Close to 100 U.S. firms maintain permanent offices in China, and many others support substantial business dealings with China from Hong Kong and Tokyo.

The recent Presidential decision to raise the level of high technology goods licensed for export to China can only further promote trade opportunities. The prospects for future growth in our economic relations are excellent.

A stable and expanding trade and investment relationship between the United States and China contributes to strong cooperative ties across the board. Such ties are a key component in China's plans to modernize its economy with the help of Western goods and ideas.

In addition, the broad range of official and unofficial exchanges between our two countries help promote stronger relations. For example, there are 21 U.S. media organizations with offices in Beijing, 73 U.S. banks have a correspondent relationship with the Bank of China, more than 80 U.S. universities have formal affiliation with Chinese schools, and more than 20 U.S. States and cities have sister relationships with their Chinese counterparts.

At the same time, over 100 Chinese delegations visit the United States each month, and American tourists to China numbered over 120,000 last year. In the long run a secure, stable, and economically healthy China is an essential element for peace and stability in Asia.

China's determination to carry out its modernization plans with Western support has been accompanied by moves toward some liberalization in the areas of human rights and emigration. Travel restrictions have been relaxed and simplified for both immigrants and short-term travelers. There are currently approximately 10,000 Chinese students and scholars in this country. In addition, last year some 11,000 business visas were issued to Chinese citizens. Our China posts issued over 9,500 immigrant visas.

There are over 60,000 Chinese with approved visa petitions waiting for their turn to immigrate to the United States. Another 55,000 persons immigrated to Hong Kong last year.

China's commitment to more liberal emigration practices is reflected in the Bilateral United States-China Consular Convention, which has now been in effect for over 1 year. The notes accompanying the convention specifically encourage travel facilitation for the purpose of family reunification. In addition, both countries agreed to facilitate travel between the countries of those persons with simultaneous claims to the nationality of the United States and the People's Republic of China.

This is not to say that Chinese emigration is problem-free. China, like many developing countries, is concerned about a potential brain drain. Current regulations restrict foreign study by Chinese university students until they complete their Chinese education and work for 2 years.

In addition, local work units are slow to approve departure and officials are sometimes reluctant to issue passports and exit permits to persons whose emigration might create gaps in modernization efforts. There is no evidence, however, that China has inhibited the emigration of those with legitimate family ties abroad, although many encounter delays in obtaining passports and export permits.

The principal obstacle to emigration from China remains the limited ability or willingness of other countries to receive the large numbers of people able and willing to immigrate. In the case of the United States, our numerical limitation on immigrants from each country cannot keep up with the Chinese demand. For example, applications for fifth preference immigration, siblings of U.S. citizens, stretch back to 1978, implying at least a 5-year wait for applicants in this category.

Trade is a fundamental component of China's modernization effort and its effort to join the community of nations. Mutual benefit and most-favored-nation treatment in all aspects of our trading relations are vital to continued expansion of our bilateral ties. The administration strongly believes that the continuation of MFN status for China is vital to our foreign policy interests.

[The prepared statement follows:]

STATEMENT OF DONALD M. ANDERSON, DIRECTOR, OFFICE OF CHINESE AFFAIRS, DEPARTMENT OF STATE

Dear Mr. Chairman: I welcome this opportunity to testify before this subcommittee as part of an Administration panel concerning the extension of the President's general waiver authority under Section 402(c) of the Trade Act and continuation of the specific waivers permitting most favored nation (MFN) treatment for China, Hungary, and Romania. My colleague, Mr. Palmer, has already addressed the waiver for Hungary and Romania. My testimony will address the waiver for China.

In the past several years, US bilateral ties with China have expanded exponentially. Our economic relations have been at the fore front of this process. A series of economic agreements—trade, grains, claims/assets, civil aviation and maritime affairs, among others—form the basis for these relations and provide a framework for futher development of economic contacts. We are currently working on additional agreements concerning bilateral investment, taxes, and industrial and technical cooperation.

Trade figures illustrate the importance of our trade with China. Two way trade in 1982 amounted to $5.2 billion—a five fold increase over 1978—with a favorable surplus to the US of some $600 million. Since 1978 trade with China has resulted in a cumulative US trade surplus of about $7 billion. Last year China was our largest market for wheat and our sixth largest customer world-wide for agricultural products. Overall, China is the United States' twentieth world trading partner (taking the European Community countries seperately), while we are China's third largest trading partner, after Japan and Hong Kong.

Opportunities for joint ventures continue to grow, particularly in the field of energy and natural resources. Fifteen US companies are in various stages looking to participation in oil exploration in the South China Sea. Close to 100 US firms maintain permanent offices in China and many others support substantial business dealings with China from Hong Kong and Tokyo. The recent Presidential decision to raise the level of high technology goods licensed for export to China can only further promote trade opportunities. The prospects for future growth in our ecomomic relations are excellent.

A stable and expanding trade and investment relationship between the US and China contributes to strong cooperative ties across-the-board. Such ties are a key component in China's plans to modernize its economy with the help of Western goods and ideas. In addition, the broad range of official and unofficial exchanges between the two countries help promote stronger relations. For example, there are 21 US media organizations with offices in Beijing, 73 US banks with a correspondent relationship with the Bank of China, more than 80 US universities with formal affiliation with Chinese schools, and more than 20 US states and cities have sister relationships with their Chinese counterparts. At the same time, over a hundred Chinese delegations visit the US each month, and American tourists to China numgered over 120,000 last year. In the long run a secure, stable, and economically healthly China is an essential element for peace and stability in Asia.

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China's commitment to more liberal emigration practices is reflected in the Bilateral US-China Consular Convention, which has now been in effect for over a year. The notes accompanying the Convention specifically encourage travel facilitation for the purpose of family reunification. In addition, both countries agreed to facilitate travel between the countries of those persons with simultaneous claims to the nationality of the United States and the People's Republic of China.

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Chairman GIBBONS. Thank you.

Our next witness is Franklin Vargo.

STATEMENT OF FRANKLIN J. VARGO, DEPUTY ASSISTANT SECRETARY FOR EUROPE, DEPARTMENT OF COMMERCE, ACCOMPANIED BY EUGENE K. LAWSON, DEPUTY ASSISTANT SECRETARY FOR EAST ASIA AND PACIFIC

Mr. VARGO. Mr. Chairman, the Department of Commerce strongly supports the extension of MFN tariff treatment for Romania, Hungary, and China to promote the objectives of emigration. We believe it is also very strongly in our commercial interest.

Mr. Lawson and I have prepared statements explaining the Department of Commerce's views that we ask be put into the record.

Thank you, Mr. Chairman.

[The prepared statements follow:]

STATEMENT OF FRANKLIN J. VARGO, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR EUROPE

Mr. Chairman, I am pleased to appear before this subcommittee today on behalf of continuation of Most-Favored-Nation (MFN) status for Romania and Hungary. Continuation of MFN tariff treatment for these countries will promote the objectives of Section 402 of the Trade Act regarding freedom of emigration.

Continuation of MFN status is strongly in our commercial interest, as well. It is the cornerstone of our bilateral trade relations with Romania and Hungary. MFN and the associated trade agreements with these countries have contributed to strengthening the U.S. economy. They have led to valuable new commercial opportunities for U.S. firms. Billions of dollars of U.S. exports have resulted and thousands of jobs for American workers have been created.

With MFN, our companies can compete on an equal footing with their international competitors; without MFN, the U.S. would likely become a supplier of last resort. Furthermore, our commercial relations have not only expanded but also have intensified, with many American firms involved in industrial cooperation and joint ventures with Romanian and Hungarian enterprises.

Additionally, MFN status has furthered the important objective of bringing these two countries more fully into the international trading system and adhering to the rules and customs of that system. MFN status also demonstrates our continuing support for the development of bilateral trade and the strengthening of our overall economic and political relations with Romania and Hungary.

The Department of Commerce monitors trade with these countries and enforces import and export regulations. When U.S. industry has been sensitive to foreign imports and questions of market disruption and dumping have been raised, Commerce has used informal consultations and bilateral agreements in enforcing U.S. Government trade administration regulations.

It has been the experience of the Commerce Department that Romania and Hungary have heeded our laws and honored their agreements. While we do have problems with these countries, partly due to the complex trade relationships we have attained, we consider our trade relations of significant value and of benefit to all partners.

Let me now turn to a discussion of our MFN trade relationship with each of these two countries. I will begin with Romania, for it has been the focus of our attention over the last year insofar as MFN is concerned.

ROMANIA

On October 22, 1982, Romania announced enactment of Decree 402, which among other things, required that persons wishing to emigrate from Romania reimburse the state for the costs of their education beyond the compulsory level. This decree contravened both the letter and spirit of the Jackson-Vanik Amendment. Implementation of the Decree began in February 1983. On March 4, the President announced his intention to terminate Romania's MFN status on June 30 if the Decree was still being implemented. The Department of Commerce notified U.S. firms of the President's action and provided advice and guidance to firms affected by the potential loss of Romanian MFN.

Importance of MFN.—The Commerce Department emphasized the costs of an MFN termination to the Romanian Government. We made clear that in addition to costing Romania about $200 million in lost export earnings in the first non-MFN year, the termination of MFN would undermine joint efforts to develop bilateral trade. We believe our efforts helped convince the Romanian Government that retaining MFN was commercially in Romania's best interest.

MFN benefits Romaina by permitting the sale in the United States of a wide range of Romanian exports which would not be competitive in this market if the sharply higher non-MFN duties were levied on them. The competitiveness of ninety percent of the goods Romania now sells in the United State would be adversely affected by the termination of Romania's MFN.

The U.S. markets which Romania would have forfeited in the event of a termination of MFN would, in most instances, have been filled by foreign producers, not by domestic U.S. producers. Our research shows that Japan, Taiwan, South Korea, Italy, West Germany, and several other countries would have gained the bulk of Romania's lost U.S. markets. As a result there would be neither a gain in U.S. jobs nor a decrease in U.S. global imports if Romania had lost MFN status.

At the same time, however, U.S. exports to Romania would have experienced a commensurate decline, since Romania attempts to balance its trade bilaterally. The U.S. export markets which would have been lost in Romania cover a wide range of agricultural products, raw materials and manufactured goods for which unexploited alternative markets for U.S. producers do not exist. As a consequence, termination of Romania's MFN would have resulted in both a U.S. export and trade balance loss of about $200 million in the first year and the 6000 American jobs which they create. The loss would have grown over time in proportion to the growth of U.S. market potential in Romania.

Last year the United States was Romania's third largest supplier world-wide, and also Romania's third largest customer. If the strong trade relationship which has developed between Romania and the United States were disrupted, Romania could be forced to reorient a portion of its foreign trade towards its Council for Mutual Economic Assistance (CMEA) partners. The Soviet Union, in particular, could replace the United States as a supplier of certain raw materials and as the market for Romanian consumer goods. Although the political leverage which the Soviet Union might gain depends upon unknown factors, it is noteworthy that Romanian policy for over fifteen years has deliberately sought to reduce trade dependence on the Soviet Union in accordance with the aim of increasing overall economic and political independence. Two-thirds of Romania's foreign trade is now with the West—by far the highest proportion of any East European country.

Trade prospects.—With continued MFN treatment and maintenance of trade relations, the outlook for U.S. producers is encouraging. The Romanian economy is now completing a difficult adjustment and is entering a phase in which trade can again begin to grow.

Romania's economy passed through a critical stage in 1981–82. The combined forces of restructured world oil prices, the international credit squeeze, economic adjustments to slower growth, and past economic mismanagement precipitated a liquidity crisis in 1981 leading to needed debt rescheduling. Requests for reschedulings to cover $2 billion in debt service in 1982 were satisfied and $800 million in debt relief has been negotiated with Western private banks and governments this year.

Since 1981, Romania has adhered to an economic stabilization program in cooperation with the International Monetary Fund. Through measures to rationalize prices, curb overly-ambitious investment, and improve the balance of payments, Romania achieved a remarkable foreign trade surplus of $1.5 billion in 1982. We do not believe Romania will require additional debt reschedulings in 1984, and if the policies being pursued in conjunction with the IMF program continue on schedule, we believe full economic stability will be achieved.

Since the onset of the 1981 liquidity crisis, many contracts concluded with Romania remained unpaid for months and suppliers refused to fill subsequent Romanian orders. Numerous contracts and projects which were under active discussion between American and Romanian partners in 1981 never materialized. Only gradually were debts repaid or rescheduled. Although these developments have tarnished Romania's commercial credibility, we expect the Romanian market will improve gradually through the remainder of 1983 an 1984.

U.S.-Romanian trade fell from over $1 billion in 1981 to $571 million in 1982. U.S. exports declined from $504 million to $223 million; U.S. imports declined from an all time high of $560 million in 1981 to $348 million last year. The 1982 figures reflect Romania's lack of access to hard-currency financing, Romanian economic austerity measures, and the effects of the U.S. recession on trade.

The 55 percent decline in U.S. exports from 1981 to 1982 primarily affected food and live animal sales, which were only $45 million in 1982—down from the 1981 and 1980 levels by about $300 million. U.S. exports to Romania of manufactured goods showed no significant change from $51.7 million in 1981 to $50.8 million in 1982. U.S. exports of crude materials and fuels taken together increased in 1982 over 1981 from $116 million to $126 million.

Many American firms are keenly interested in doing business with Romania and the outlook is good for increased bilateral trade in the next few years. Economic recovery in the United States will increase the opportunities for Romania to earn more dollars and, in turn, buy more American goods and services. The Romanian demand for imports of Western merchandise is expected to increase substantially when Romania's two-year moratorium on "new" investments ends this fall. We anticipate growth in both imports and exports in the second half of 1983, with a trade turnover possibly surpassing $1 billion next year.

High level economic visits continue between the two countries. The Romanian Minister of Foreign Trade met with Commerce Secretary Baldrige in conjunction with the Eighth Session of the Joint American-Romanian Economic Commission meeting in Washington on June 28–29, 1982. The Working Group of the Commission met in Bucharest on October 18, 1982, where the U.S. delegation was headed by the Assistant Secretary of Commerce for International Economic Policy. In the past year, the Romanian Ministers of Foreign Affairs and Finance, as well as the Chairman of Romania's Foreign Trade Bank, have visited Washington. Both the Joint American-Romanian Economic Commission, which monitors trade and discusses economic and commercial issues, and the Romanian-U.S. Economic Council, which facilitates increased contact between U.S. firms and Romanian companies, will meet again later this year.

HUNGARY

Since the granting of MFN status to Hungary in 1978, U.S.-Hungarian two-way trade has remained around the $200 million level. Hungary has been a steady customer for U.S. manufactured goods. Since 1979, Hungary has imported on the average nearly 20 percent of all U.S. exports of manufactured products to Eastern Europe. Many of Hungary's purchases have been from depressed U.S. industries such as motor vehicle parts, tractors and other agricultural machinery, and diesel engines.

U.S. exports to Hungary have remained on a plateau under $80 million for the past four years. The Department of Commerce believes these levels are well below the potential of our two countries' trading capacities and that the pace of trade expansion could be quickened. I should note, however, that Hungarian trade data normally show imports from the United States that are nearly 300 percent larger than U.S. export figures. The Department of Commerce is analyzing the reason for this discrepancy and on a preliminary basis finds the Hungarian figures probably more accurate than U.S. figures. Nonetheless, even using Hungarian figures, little growth in U.S. exports to Hungary is evident.

The Department of Commerce is working aggressively to expand export markets in Hungary in order to develop our export potential more fully. In doing so we are working with American companies to show them that mutually-beneficial trade in non-strategic goods with Hungary can be expanded in a number of product areas. We are also working with the Hungarian Government and with prospective purchasers of American goods to show them that expanded trade in non-strategic goods can be of significant benefit to Hungary, as well as to the United States. We are confident that we will see trade levels rise to more closely approximate their potential.

Apart from trade, the commercial relationship with Hungary resulting from MFN has had a notable effect on joint ventures and investments. MFN status supports the viability of several U.S. based joint-ventures and industrial cooperation agreements such as Crown Coach Corporation in California, Steiger Tractor Corporation of North Dakota, Island Creek/Tata Coal Recovery Co. of Kentucky, Taurus Tire Co. and Action-Tungsram Industries both of New Jersey. Action-Tungsram exports in excess of $6 million worth of products produced in the U.S. and employs 150 workers.

Modifications in Hungarian commercial laws governing joint-ventures, free-trade zones, and the creation of small and medium-sized private businesses have widened the commercial potential of Hungary for U.S. companies. Agricultural tractors and energy conservation equipment as well as sales of soymeal will provide significant opportunities for U.S. business in Hungary this coming year.

The Hungarians have astutely managed their debt and have avoided any need to reschedule despite strong pressures this past year due to the tightening of available private credit to all of Eastern Europe. To counter these adverse conditions, Hungary has taken strong domestic measures such as curtailing domestic investments, devaluing their currency, and imposing import restrictions on selected raw materials and spare parts. Market-oriented reforms and continued decentralization programs, however, remain the fundamental course of the Hungarian economy.

The effect of these austerity measures on U.S. business has been minimal. Due to the credit shortage, Western suppliers encountered minor and temporary payment delays. These arrearages affected a handful of U.S. companies for a short period of time during the summer and were brought up-to-date by fall of 1982. As regards the import restrictions, they apply to selected items and have only marginally affected

U.S. exports. We are, however, opposed to such restrictive trade measures and have encouraged the Hungarians to use other means to remedy their situation.

As a new IMF and World Bank member, Hungary has expanded its participation in the international financial community. Through the IMF's stabilization program, broad-ranging industrial and financial programs are being implemented. With IBRD funding, Hungary is modernizing sectors of its agriculture and expanding its energy conservation program.

The promotion of trade relations has expanded with the reciprocal extension of MFN status and widened the exchange of views on trade and commercial matters. In the past year, Deputy Prime Minister Marjai and senior Hungarian foreign trade officials have visited the United States. Last winter, a thirteen-member Congressional delegation, including many members of the Trade Subcommittee, toured Hungary. The bilateral Joint Economic and Commercial Committee (JECC), which monitors trade and discusses economic and commercial issues and which is chaired by the Assistant Secretary of Commerce for International Economic Policy, was held this past November in Budapest. This year's JECC meeting, to be held in Washington, is expected to take place sometime in the late fall.

STATEMENT OF EUGENE K. LAWSON, DEPUTY ASSISTANT SECRETARY FOR EAST ASIA AND PACIFIC

I am pleased to testify today before this Committee on the continuation of MFN status for China. Since the granting of MFN tariff treatment to China, our bilateral trade has developed rapidly. The Administration believes that U.S. economic and foreign policy objectives will be further advanced by the continuation of MFN status for China. My remarks today will focus on developments in our commercial relations during the past year.

U.S.-PRC TRADE STATUS

After reaching a peak of $5.5 billion in 1981 bilateral trade declined slightly in 1982 to $5.2 billion. The slowdown is largely a result of bumper Chinese harvests which cut into purchases of U.S. agricultural products. Also, China's continuing emphasis on economic readjustment held down purchases of U.S. capital goods. U.S. exports fell 19 percent to $2.9 billion in 1982, while imports grew 20 percent to $2.3 billion. As a result, the U.S. trade surplus declined from $1.7 billion in 1981 to $628 million last year. Despite the overall decrease in bilateral trade, China last year was our nineteenth largest export market and ranked twenty-first among our trading partners worldwide.

The composition of U.S.-China trade continued to change during 1982, with U.S. non-agricultural exports accounting for a large share (54 percent) than ever before. Increases came in nearly every category, with major gains in exports of logs and lumber, fertilizers, copper, and machinery and equipment (see table 3). U.S. imports from China also were dominated by non-agricultural items with substantial increases in crude petroleum and petroleum products, chemicals, metal manufactures, and clothing (see table 4).

STATUS OF COMMERCIAL RELATIONS

Despite accumulating tensions in the political relationship and strains stemming from Chinese dissatisfaction with a number of U.S. policies, principally export controls and restraints on Chinese textiles, considerable progress was made this year in expanding commercial ties.

It is apparent that China continues to place a high value on trade and investment relations with the United States. For example, the American Motors Corporation recently signed a joint venture agreement to manufacture vehicles in China. The agreement to develop a major coal mine signed by Occidental Petroleum will be the largest joint venture concluded with a foreign firm to date.

During the past year negotiations with U.S. firms for offshore oil contracts potentially worth billions of dollars proceeded smoothly. Last year, Arco was awarded a contract to explore for oil in the South China Sea. Fifteen other U.S. firms are in various stages of negotiations.

Progress was also made in advancing government-to-government cooperation to expand trade. Last September we signed Annex II to the U.S.-PRC Hydropower Protocol. This cooperative effort focuses on priority Chinese hydropower projects and provides for heavy involvement of the U.S. private sector.

Efforts to complete the framework for bilateral economic relations progressed, with negotiations begun on a treaty to avoid double taxation and a bilateral investment treaty. Negotiations on a new Maritime Agreement are also underway. We are hopeful that the next round of negotiations, scheduled for later this month, will be successful in concluding a new Textile Agreement.

The commitment of both countries to continue to develop and expand our commercial relations was reaffirmed by the renewal in February of the bilateral Trade Agreement. After a thorough review of its implementation over the past three years, both sides concluded that despite some outstanding problems, the Agreement has provided an effective basis for promoting mutually beneficial trade relations.

The continuation of a high level dialogue between U.S. and Chinese economic and trade officials in the past year has made a significant contribution to the development of mutual understanding of each country's concerns. Last December, the U.S.-China Joint Economic Committee met in Washington to review a broad range of issues in bilateral economic relations. The Joint Science and Technology Commission, which met in Beijing in May, examined progress in 17 cooperative programs being undertaken under the umbrella S&T Agreement. Four additional protocols were signed bringing the total to 21.

Also in May, the Joint Commission on Commerce and Trade co-chaired by Secretary Baldrige and Trade Minister Chen Muhua held its first session. The Commission discussed a broad range of trade matters, including trade policy, cooperation in industrial fields, and trade related legal and regulatory matters. The discussions took place in a remarkably cordial and cooperative atmosphere, and initiated a number of programs which will give new momentum to our trade relations.

During his meetings with Chinese leaders, Secretary Baldrige conveyed the President's decision to expand the transfer of technology to China. The decision to move China from category P to category V under U.S. Export Administration regulations will be put into effect over the coming months after intensive technical review and consultation with our allies. The move is intended to emphasize that sales to China should take place on a similar basis as to other friendly countries while taking into account our national security concerns. We see this as a significant step in promoting the United States' contribution to China's modernization program, and expect it to result in a sizeable increase in U.S. sales.

During the Secretary's visit we also reached agreement in principle to negotiate a bilateral agreement on industrial cooperation. We expect this agreement to enhance U.S. industry's competitive edge in bidding on China's major projects by providing early information on projects while they are still in the planning stage.

The U.S.-China commercial relationship has been a dynamic one, surmounting difficulties and progressing rapidly in recent years. Mr. Chairman, the continuation of MFN status remains an essential part of our efforts to expand our commercial relations with China.

TABLE 3.—LEADING U.S. EXPORTS TO CHINA, 1978–82

[In millions of U.S. dollars]

1982 rank	1978	1979	1980	1981	1982
1. Wheat	250.2	214.1	1,093.3	1,269.0	1,046.7
2. Synthetic resins	1.3	29.7	110.7	158.4	236.1
3. Logs	0	0	41.4	89.2	211.9
4. Corn	111.7	268.5	224.5	62.6	189.4
5. Cotton	157.3	357.0	701.3	463.7	177.8
6. Fertilizer	38.7	44.6	149.8	127.9	147.0
7. Yarns and thread of nylon, polyester, etc	1.3	22.4	52.1	177.9	121.7
8. Polyester fibers	46.4	62.4	197.9	323.7	95.5
9. Measuring and controlling instruments	11.2	42.3	40.1	50.9	63.2
9. Soybeans	15.3	106.7	155.2	129.7	63.2
10. Bovine leather (rough)	0	3.4	14.7	20.9	56.7
11. Parts for oil and gas field equipment	31.5	54.2	22.7	28.1	44.2
12. Kraft paper and paperboard	.4	2.5	98.2	52.0	35.7
13. Compound catalysts (unspecified)	.3	1.2	1.5	5.4	25.7
14. Insecticides	2.5	3.6	25.6	25.0	22.5
15. Copper	4.4	5.6	0	0	21.8
Subtotal	672.5	1,218.2	2,875.0	2,983.4	2,559.1
Total U.S. exports to China	818.2	1,716.5	3,751.7	3,602.7	2,912.1

Source: U.S. Census Bureau.

TABLE 4.—LEADING U.S. IMPORTS FROM CHINA, 1978–82

[In millions of U.S. dollars]

1982 rank	1978	1979	1980	1981	1982
1. Gasoline	0	21.6	81.8	258.7	336.9
2. Women's, girls' and infants' outer garments	16.6	42.9	77.7	158.8	238.9
3. Crude petroleum	0	71.8	18.8	0	198.0
4. Men's and boys' outer garments	10.4	24.9	35.7	58.9	110.5
5. Miscellaneous manufactured articles	19.6	23.8	50.6	86.7	92.3
6. Sweaters and other knit outerwear	9.1	15.6	59.4	49.1	81.0
7. Made-up articles of textile materials NSPF	5.7	7.7	27.7	56.6	78.3
8. Woven cotton fabric	37.6	23.2	46.1	86.7	73.8
9. Undergarments (not knit)	10.0	20.2	33.4	54.2	72.6
10. Napthas	0	3.0	30.9	36.7	62.8
11. Floor coverings	13.2	18.4	50.7	67.5	53.9
12. Underwear (knit)	3.7	8.7	14.0	28.0	46.0
13. Prepared or preserved vegetables	1.6	2.0	18.4	33.7	44.2
14. Nonferrous metals	2.3	8.3	25.0	33.6	38.6
15. Footwear	3.3	13.9	22.4	38.7	37.8
16. Tin	15.5	2.7	13.8	22.3	35.5
17. Fireworks	12.1	15.6	23.2	24.7	31.1
Subtotal	160.7	324.3	953.6	1,512.4	1,632.2
Total U.S. imports from China	316.7	592.3	1,075.9	1,908.2	2,283.7

Source: U.S. Census Bureau.

Chairman GIBBONS. Thank you. We will put your statement into the record, and all statements today will be put into the record.

Now, does Treasury have any different views?

STATEMENT OF STEPHEN J. CANNER, DIRECTOR, OFFICE OF EAST-WEST ECONOMIC POLICY, DEPARTMENT OF THE TREASURY, ACCOMPANIED BY WILLIAM C. TRIPLETT II, DEPUTY ASSISTANT TRADE REPRESENTATIVE, OFFICE OF THE U.S. TRADE REPRESENTATIVE

Mr. CANNER. No, sir, we do not have any different views.

Chairman GIBBONS. Do you have a statement for the record?

Mr. CANNER. Yes, we have a statement.

[The prepared statements of Treasury and the USTR follow:]

STATEMENT OF ROBERT A. CORNELL, DEPUTY ASSISTANT SECRETARY FOR TRADE AND INVESTMENT POLICY, DEPARTMENT OF THE TREASURY

I am pleased to testify today on behalf of the Treasury Department before this subcommittee to discuss the President's determination concerning renewal of most-favored nation (MFN) tariff treatment to Romania, Hungary and the People's Republic of China. This Administration believes that continued extension of MFN treatment to these three nations will continue to promote the political objectives set forward in Section 402 of the Trade Act. Since my colleagues from the Department of State will comment on how these objectives have been met in the past, and particularly over the last year, I would like to focus my remarks on the development of our bilateral economic relations.

But first, I would like to reiterate the importance this Administration attaches to waiver of the restrictions contained in section 402 of the Trade Act for another year.

We feel strongly that, in addition to our foreign policy objectives, U.S. economic interests will be furthered by the Presidential waiver. A waiver will allow the trade agreements that the United States currently has with these countries to stay in force. This, in turn, will permit those countries to enjoy continued extension of MFN tariff treatment and access to official export credits such as those provided by the Export-Import Bank and Commodity Credit Corporation.

Continued access by these countries to MFN treatment and official financing will help to preserve mutually beneficial bilateral trade. An extension of their access to U.S. markets on the same basis as other countries will enable them to earn foreign exchange, which will enhance the ability of these countries to purchase American products. The continued extension of MFN will thus maintain their access to our markets and encourage trade expansion with these countries—two goals to which this Administration is committed.

I would now like to comment briefly on our economic relations with Romania, Hungary and China.

ROMANIA

As I indicated in my testimony last year, Romania has maintained a very high degree of independence within the Eastern bloc. The U.S. has suported Romanian independence in economic relations by our encouragement of bilateral trade, participation in government-to-government exchanges, and expansion of commercial activities since the U.S.-Romanian Trade Agreement was entered into force in 1975. An extension of our bilateral trade on an MFN basis will continue our encouragement of Romanian independence in economic relations.

I would like to include a few brief words regarding the education repayment requirement implemented by the Romanian Government in February, 1983. This was a requirement that any Romanian citizen wishing to emigrate must repay the cost of his education beyond the compulsory level. Because this conflicted with the letter and spirit of Section 402, the President announced his intention to terminate MFN status for Romania if the tax was still in force on June 30, 1983. Since that time, the President has received assurances from the President of Romania that education repayment will not be a precondition to emigration and that Romania will not create economic or procedural barriers to emigration. Based on such assurances and on Romania's recent emigration record, this Administration believe that continuation of the waiver for Romania will substantially promote the objectives of the Act.

The United States has benefited from our generally satisfactory economic relations with Romania. In particular, Romania has been a consistent buyer of U.S. exports such as agricultural and manufactured goods, and a reliable supplier of petroleum products. Before last year, U.S.-Romanian trade expanded three-fold since the 1975 Trade Agreement, reaching a record level of over $1 billion in 1981. Two-way trade fell to $562 million in 1982. The U.S. surplus of past years disappeared due to the economic difficulties the Romanians have encountered in recent years. The second "oil shock" of 1979 resulted in an increase in the costs of Romania's energy imports. This came on top of a steady growth of its current account deficit from the mid-1970's due to rapid expansion of its domestic demand and neglect of its agricultural sector. To finance these deficits, Romania increased its external borrowing, relying especially on short-term credit.

Largely because of a growing deficit in its overall hard-currency trade, Romania had difficulty paying its 1981–82 hard-currency debt obligations. In part because of the financial markets' nervousness over Romania's mounting deficits and in part because of the fallout from Poland's debt crisis, private lending to Romania began to dry up. Consequently, Romania's arrears on payments of its commercial debt began to mount. This, in turn, constituted a violation of one of the conditions attached to its access to financing from the International Monetary Fund under its three-year standby arrangement, a broad stabilization program aimed at restoring a sustainable external payments position for Romania. Moreover, the U.S. Government denied a request for Commodity Credit Corporation financing for agricultural exports and the Export-Import Bank suspended disbursement on a large direct credit to Romania.

In early 1981, Romania began to take steps to solve its financial and economic difficulties. In mid-1982, following lengthy consultations with the IMF staff, the IMF Board approved a new standby program for Romania for 1982–83. The Government of Romania has also initiated discussions with its private and government creditors, respectively, on rescheduling its debt to them. Romania also took action in 1981 to correct its hard-currency trade imbalance, mostly by cutting imports, resulting in trade surpluses for 1981 and 1982.

In early December 1982, Romania signed an agreement to reschedule its 1981 and 1982 debt with Western banks. This agreement concerned $2.4 billion due to Western banks in 1982, plus $0.5 billion that remained unpaid from 1981. In July 1982, Romania reached an agreement with Western governments to reschedule on similar terms $500 million in 1981–82 debt on medium- and long-term Western government credits.

Although our trade relations with Romania will be limited in the immediate future by financial constraints, the prospects for mutually beneficial economic ties in the long-term future are substantial. The continuation of trade on a non-discriminatory basis will promote such economic ties.

HUNGARY

I also noted in my testimony last year that Hungary has a strong interest in becoming an active participant in the international economic system. Hungary is a member of the GATT and has become a signatory to many of the MTN codes. In May, 1982, Hungary joined the IMF. Prior to and in preparation for taking that step, the Hungarian Government unified its commercial and tourist exchange rates into one partially convertible rate. Hungary subsequently joined the World Bank in July, 1982. Hungary is currently planning on making its currency fully convertible over the next few years; it would become the first communist country to do so.

This is just part of a program of market-oriented reforms begun in 1968 which has decentralized much economic activity and increased the role of market forces in determining prices. In fact, the Hungarians have carried out the most thoroughgoing economic reforms of any of the CEMA countries. Hungarian efforts that give a major role to market prices, phase out inefficient enterprise, decentralize the economic decision making process and, in certain instances, expand the role of the private sector have undoubtedly resulted in greater economic efficiency and a higher standard of living. They have also allowed much greater possibility for individual initiative. Although the Hungarian economy is beset with many of the strains facing other Eastern European economies, the situation would be even more difficult, and possible solutions less promising, were the reforms not in place.

In December 1982, the IMF approved a standby credit of 475 million special drawing rights (SDR) and a compensatory financing facility of 72 million SDR for Hungary. These credits were granted as temporary measures to allow Hungary to implement certain specified longer-term measures to improve its balance of payments. Hungary planned to rebuild its reserves, which had been depleted by the withdrawal of $1.1 billion in short-term deposits in the first quarter of 1982, and to reduce its overall debt by reducing domestic demand and by increasing hard-currency exports. Hungary took an additional step to improve its external payments position by imposing temporary quotas and surcharges on certain hard-currency imports. Hungary also attempted to increase its export competitiveness by devaluing its currency with respect to Western currencies in staged reductions during 1982.

In 1983, Hungary expects to increase its hard currency trade surplus to $1.1 billion, an increase of about 49 percent over 1982. This large trade surplus is expected to result in a current account surplus of about $600 million. However, Hungary will face $1 billion in medium- and long-term debt repayments, $1.4 billion in short-term debt repayments and $0.3 billion due the BIS. Hungary will probably be able to find adequate financing, particularly if short-term sources do not dry up.

While Western bankers are reluctant to lend to Eastern Europe generally, Hungary can still borrow, albeit at greater expense, particularly now that it is an IMF member. A medium-term club loan by U.S. and European banks totalling $260 million was signed August 9, 1982, and another $200 million loan from a syndication of Western banks was signed in April 1983.

Since the conclusion of the U.S.-Hungarian Trade Agreement in 1978, overall bilateral trade has increased modestly from $166 million in that year to $201 million in 1982. We expect U.S.-Hungarian trade to increase slowly but steadily over the years.

The Government of Hungary plans to continue its policy of slow economic growth in 1982 and for the next several years. Thus, living standards will continue to be subordinated to the goals of eliminating the current account deficit and reducing Hungary's external debt.

The Hungarian Government has made minimal use of U.S. export credit and guarantee programs in the past because of its decision to rely primarily on private markets for external financing. However, we believe that continued access to U.S. Government credit and guarantee programs is important to future U.S.-Hungarian trade, because such financing can help U.S. exports penetrate or increase their share of the Hungarian market. An extension of the existing waiver will permit the continued availability of these credits.

CHINA

I also pointed out last year that overall economic relations with China have expanded significantly since February 1980 when China received most-favored nation status. This positive trend has continued over the past year and is perhaps best illustrated by the growth in bilateral trade. Two-way trade has increased from $2.4 billion at the end of 1979 to $5.1 billion at the end of 1982. Throughout this period the U.S. has maintained a merchandise trade surplus, which was $689 million in 1982. The outlook for bilateral trade is one of continued growth, if at a slower pace.

While trade expansion has been an important and highly visible aspect of bilateral relations, other aspects of our economic relationship have flourished as well. Over the past three years, both governments have met annually to review the development of economic relations in the U.S.-China Joint Economic Committee (JEC). These meetings have highlighted the growth of our finance, investment and trade ties; in them we have sought ways to ensure the continued expansion of these ties. At the Committee's last meeting in Washington in December 1982, the U.S. delegation led by Treasury Secretary Regan focused on taxation, finance and investment, trade and the exchange of economic information. We intend to continue similar discussions at the next meeting in Beijing.

In the last few years we have signed numerous agreements with the Chinese to provide a framework in which economic ties can develop; these cover our bilateral textile trade, maritime affairs, civil aviation operations, consular relations, grain trade, Eximbank financing and Overseas Private Investment Corporation programs. We have signed tax agreements regarding shipping and airline earnings and we are currently negotiating a bilateral income tax treaty. We are also in the process of negotiating a bilateral investment treaty. The Trade and Development Program is involved in financing several feasibility studies for hydropower, aluminum and coal projects. Eximbank has loaned or guaranteed private loans to the Bank of China totaling $126 million in support of $157 million of U.S. exports. The number of U.S. banks with correspondent relations with the Bank of China has grown to more than ninety and the number of U.S. banks with representative's offices in China has expanded as well.

China's domestic and external financial position remains relatively healthy. The current economic reorganization and bureaucratic streamlining highlight the seriousness with which the Chinese approach their modernization program. The Chinese have reported sharp reductions in their budget deficits, and despite their continued access to more than $20 billion in Western credits, they have drawn only a fraction of them. Their total trade of $41 billion for 1982 registered a record hard-currency trade surplus of $4.7 billion. This contributed to China's sharp increase in foreign exchange reserve holdings to approximately $12 billion. Thus China is able to service its foreign debt of less than $4 billion with ease. If the Chinese continue to pursue prudent financial policies we expect that they will be able to maintain a strong external financial position.

The expansion of U.S.-China economic ties has coincided with an active emergence of China into the international financial world and its lending institutions. The President has determined that an extension of waiver authority would encourage the continued growth of China's involvement in the world economy and the expansion of our bilateral economic and political relations.

In concluding, I would like to restate the Administration's belief that renewal of the waiver authority not only serves to achieve political objectives but also promotes the expansion of mutually beneficial economic ties. We, therefore, support the President's determination to continue most-favored nation tariff treatment for Romania, Hungary and China.

STATEMENT OF WILLIAM C. TRIPLETT II, DEPUTY ASSISTANT U.S. TRADE REPRESENTATIVE, OFFICE OF THE U.S. TRADE REPRESENTATIVE

Mr. Chairman, it is a pleasure for me to testify before the Subcommittee this afternoon in support of extension of the President's waiver authority under Section 402 of the Trade Act of 1974. The Office of the United States Trade Representative strongly supports the President's determinations concerning extension of this authority, and in particular, the extension of the waivers permitting most-favored-nation treatment for Romania, Hungary, and the People's Republic of China. Extension of the President's general waiver authority and continuation of the specific waivers for Romania, Hungary, and China will allow the United States to expand the bilateral economic and political relationships which have been established with these countries.

At this point, let me state for the record that USTR fully endorses the views on emigration and human rights with regard to these three countries as expressed by my colleagues from the Department of State.

As the agency within the Executive Branch with principal responsibility for the coordination and implementation of U.S. East-West trade policy, as well as for the conduct of East-West trade negotiations, USTR strongly believes that the continuance of the President's waiver authority under Section 402 of the Trade Act is necessary and desirable if the United States is to continue to develop its bilateral economic relations with Romania, Hungary and the People's Republic of China. Most-favored-nation treatment has been the cornerstone of the development of our bilateral economic relations with these three countries. At the same time, the development of our bilateral economic relations has been essential to the improvement of our bilateral political relations.

The trade agreements concluded under Section 405 of the Trade Act have allowed the United States to establish mutually beneficial commercial relationships with Romania, Hungary and China. Under these agreements trade has benefited. Significant new markets for U.S. exports have been developed.

The continued extension of most-favored-nation treatment of all three countries provides a solid foundation for continued progress in the development of our bilateral economic relations. The positive results that have been achieved with each of these countries are testimony to the importance of continuing the extension of most-favored-nation treatment.

Romania became the recipient of most-favored-nation treatment in 1975. Since that time, U.S.-Romanian trade and economic relations have grown and matured. Total two-day trade has increased from about $450 million in 1976 to over $1 billion in 1981, before dropping to $560 million in 1982. We ascribe the disappointing 1982 results to the overall effects of structural weaknesses in their economies, compounded by recession in their major western markets.

Romania has become eligible for and has utilized Export-Import Bank lending programs and Commodity Credit Corporation (CCC) credits to purchase U.S. exports. Romania is also eligible for political risk insurance from the Overseas Private Investment Corporation (OPIC).

Romania was an active participant in the Tokyo Round of Multilateral Trade Negotiations (MTN) and the U.S. and Romania concluded a satisfactory bilateral agreement. Since the conclusion of the MTN, Romania has formally adhered to most of the nontariff measure codes and international arrangements negotiated during the Tokyo Round.

The extension of most-favored-nation treatment also has been a significant factor in the development of U.S. trade and economic relations with Hungary. Since the implementation of the U.S.-Hungarian Trade Agreement in 1978, bilateral trade has increased significantly. Total trade turnover rose from $127 million in 1977 to $201 million in 1982.

A satisfactory balance of concessions has also been maintained since the signing of the U.S.-Hungarian Trade Agreement in 1978. U.S.-Hungarian trade has grown and Hungary has also bettered working conditions for U.S. businessmen, increased access to leading industrial officials, and improved significantly the availability of economic and commercial information to U.S. and other Western firms.

With the extension of MFN, the major impediments which previously affected the growth of U.S.-Hungarian trade have been removed. Hungary has become eligible for loans from the Export-Import Bank and credits from the Commodity Credit Corporation.

Hungary was also an active participant in the MTN and reached agreement with the U.S. on reciprocal tariff reductions and reductions in certain nontariff barriers to trade. Since the conclusion of the MTN, Hungary, like Romania, has formally adhered to many of the multilateral codes on nontariff trade barriers and the international arrangements negotiated during the Tokyo Round.

Turning to China, it is also evident that significant advances in bilateral U.S.-Chinese relations have occurred since most-favored-nation treatment was extended to China in February 1980. The extension of MFN to China has contributed to a dramatic increase in bilateral trade. While total trade in 1982 declined slightly to approximately $5.1 billion, compared to $5.4 billion in 1982 and has fallen further this year, it still represents a healthy increase over the $2.3 billion figure of 1979. The PRC has become our largest nonmarket economy trading partner.

In the short time since the approval and implementation of the U.S.-China Trade Agreement, the two countries have resolved outstanding claims, China has become eligible for Export-Import Bank loans, Commodity Credit Corporation (CCC) credits, and Overseas Private Investment Corporation (OPIC) insurance. The two countries have also signed major protocols and agreements covering textile trade, taxes, grain trade, civil aviation, consular services, and maritime affairs. The first round of negotiations for a bilateral investment treaty was held in Beijing June 1-3 and the next round is expected to take place in Washington in October.

The U.S.-China Joint Economic Committee held its third formal session in December 1982 in Washington and the U.S.-China Joint Commission on Commerce and Trade held its first session in Beijing in May 1983.

In December 1982 China announced its new constitution which gave foreign investment a legal status for the first time. China has promising offshore oil exploration areas and negotiations with international oil companies, many of them U.S. based, began in earnest this year. In August 1982 a Marine Environmental Protection Law was promulgated.

This is not to suggest that problems have not developed from time to time in our trade relations with these countries. On the contrary, we expect that as trade develops and its associated benefits grow, so will the incidence of problems. However, each of these countries has demonstrated a willingness to cooperate in resolving problems. For the most part, these have been addressed satisfactorily through the informal and formal mechanisms established under and in conjunction with the trade agreements.

For example, although bilateral trade with China has increased dramatically, and the U.S. enjoyed a surplus in the first quarter of 1983, increases in Chinese exports have caused some concern within certain domestic industries in the United States. We have discussed Chinese exports in potentially sensitive domestic product sectors on numerous occasions. In addition, we have established a dialogue with officials of the Chinese Embassy here in Washington, and our Embassy and Consulates have established a similar and extensive dialogue with officials in China. As a result of these efforts, the Chinese have developed a better understanding about the conditions which characterize the various product sectors in our domestic market. On the export side, our falling shipments to China—especially of agricultural products—are of concern to us and have been the subject of formal and informal contacts with the PRC.

Some problems remain unresolved in our trade relations with these countries. However, let me assure you that we will continue to push for resolution of these problems through existing mechansims in a manner which is conducive to be continued development of our bilateral trade and economic relations.

In conclusion, I would reiterate that the extension of most-favored-nation treatment forms the foundation of our trade and economic relations with each of these three countries. As such, it is also an important component of our overall relations. In each instance, the decision to extend MFN treatment was based on the determination that such extension would further the intent of Section 402. In addition, it will expand commercial opportunities for U.S. exports. Failure to continue the extension of MFN would have delivered a major setback to these policy objectives, as well as the continued development of our relations with these countries. For these reasons, the Office of the United States Trade Representative strongly supports the determinations made by the President in extending his waiver authority under Section 402 of the Trade Act of 1974 and continuing the specific waivers applicable to Romania, Hungary, and the People's Republic of China.

Chairman GIBBONS. Let me ask you, Mr. Palmer, I understand we have about 1,400 or 1,500 people that have already been cleared by the Government of Romania, but we have not been able to admit them or they have not been able to be admitted someplace.

Mr. PALMER. Yes, sir, that is true. We are in the process of trying to clear that up. We have recently issued more quota numbers to try to get that problem taken care of, but we still have some backlog.

Chairman GIBBONS. And there are some hardship cases in there, apparently, too, where the people are in pretty bad shape and need to come in as rapidly as possible. I hope you will do all you can to make sure in this cooperative effort that is going on now, that we do not end up looking bad in the effort.

Mr. Frenzel.

Mr. **Frenzel**. I was going to ask the same question about China. Apparently there are more Chinese emigrants than we are allowed to take under our quota. What is the time backlog there?

Mr. **Anderson**. It depends on the category of immigrant. As I mentioned in my prepared statement, in fifth preference category there is a backup of close to 5 years. In the other categories it is much shorter.

Mr. **Frenzel**. Five years?

Mr. **Anderson**. In the fifth preference category.

Mr. **Frenzel**. Tell me what fifth is?

Mr. **Anderson**. That is siblings of a U.S. citizen.

Mr. **Frenzel**. They will be grown.

Mr. **Anderson**. The other categories are much less time.

Mr. **Frenzel**. OK. That is not children or parents.

Thank you. I yield.

Chairman **Gibbons**. Mr. Schulze.

Mr. **Schulze**. Thank you, Mr. Chairman.

Last August, Mr. Palmer, we were given assurances by the Romanian Ambassador that they would simplify their emigration process, that there would be an acceleration of the emigration process, and there would be a cessation of harassment.

In your opinion, was that abided by? Did they follow through?

Mr. **Palmer**. There has been some improvement in some areas, Congressman. But being frank, as we said in our statement, there are continuing problems that we take very seriously, including in those two specific areas that you have mentioned.

We have had extended discussions with the Romanian Government about that. We have, as you know, new assurances on those problems. As I say, there have been some improvements, but there is a good deal yet to do, and we are going to keep after it very hard.

Mr. **Schulze**. That is what I wanted to get to, those new assurances. Can you be a little bit more explicit than that? Were they verbal? Are they in writing?

I was told at one point that these were sort of privileged communications, and therefore it is very difficult to have them made public because it might be a source of embarrassment and so forth. I am very skeptical about these assurances and I do not believe them, because of past history.

So if you can convince me, I am willing to be convinced.

Mr. **Palmer**. There are two forms the assurances have taken. One is another letter from the Romanian Ambassador, which is public and which you have, I think, or which we would be happy to make available to you.

The other was a confidential exchange of communications between President Reagan and President Ceausescu. We would be happy to let you read that as well. Because of the nature of diplomacy, we assured the Romanians when we entered into this process that we would not make public that exchange, but we would be pleased to make available to you that exchange of documents.

Mr. **Schulze**. Was the State Department consulted before the President made his statement about withdrawing MFN from Romania?

Mr. **Palmer**. Yes, sir. We did that in very close consultation with the White House. I think it is fair to say that we drafted the statement.

Mr. **Schulze**. You were in agreement with that position at that time?

Mr. **Palmer**. Absolutely, and we feel very strongly that should this problem arise again—we hope that it will not—but should it arise again, we will very expeditiously take most-favored-nation treatment away from Romania.

Mr. **Schulze**. Do you get the feeling it is kind of a testing process, like with a little child; they are just seeing how far they can go and how much they can get away with and how far they can push it? And you know, after a while it is time you have got to say, enough, we are not going to play this game any more; just cut it off and go play your games with somebody else.

I feel that way. I am ready to say it. In fact, I am going to vote that way. When are you going to reach that point?

Mr. **Palmer**. I think it is true that all of us who are at this table who have been dealing with this problem share some of your frustration. It is not easy dealing with other governments and it has not been easy in this particular case.

On balance, we feel that, because we want very much to see emigration continue, because of the numbers of people involved and because of our belief that we can encourage improvements in emigration procedures, the length of time involved and the harassment problem, that it is better to remain engaged with the Romanian Government than to cut off ties.

We think that the consequence of cutting off ties, of ending our trade relationship and of other such things, would probably be a sharp downturn in emigration. So in fairness to those who want to go to Israel or the United States or Germany—and this is a view shared by the governments of the countries I have just mentioned—we believe that it is important to stay in engaged. While I entirely understand your feelings—we share them—we think that would be a mistake tactically to end MFN.

Mr. **Schulze**. Let me suggest that the State Department in its deliberations in the future along these lines, that it consider the fact that if we did cut off MFN and if emigration did get worse, this might have the tendency to cause more internal problems than it cures, and in the long run may be beneficial; and that it should not be looked upon entirely as a negative step.

Perhaps it would be in the long run a very beneficial step, because now you have got that sort of safety valve. You have that little outlet, that people are always hoping there is a chance of getting out. When they close that door and lock it, the pot, like a pressure cooker, is liable to go off.

So I think we give them an easy out. I think they are playing a very bad game in a very poor way.

Let us go on. I would like to go into a little bit more detail on the condition and situation concerning Father Giorgio Calciu. Are you familiar with his situation?

Mr. **Palmer**. Yes, I am.

Mr. **Schulze**. As you know, for the past several years I have been making an effort to try to get Father Calciu out of jail without any success. We have been promised access. Foreign Minister Andrei 1 year ago promised me that something would be done.

And absolutely nothing has been done about this case as far as I can find out, to the point where I am led to believe that his wife has almost had a sort of nervous breakdown over the inability to visit her husband, packages sent to him are returned unopened, and it is not really known whether he is still alive or dead or what his physical condition is.

Because of this hearing, we were promised that someone from our Department of State could visit Father Calciu. Can you tell me the current status of that situation?

Mr. PALMER. We share your concern about his condition, and have not been satisfied with the responses we have been getting from the Romanian Government. I can assure you that we are continuing to press. I will myself, following this hearing, raise it with the Romanian Ambassador here in Washington. It is a case of real concern to us. There are, as you know, a number of these cases of real concern. We work very hard on them. I think it is useful for you all to express your concern. In many cases in which the Congress has expressed concern, the Romanian Government has acted. In fact, I think there are several hundred of those cases. So, your concern is important. Let me assure you that I personally will engage myself in this case, which I haven't done before.

Mr. SCHULZE. Well, I might also add that we sent a letter to the Ambassador signed by 16 members of the full Committee of the Ways and Means Committee, and those members pledged to me that unless something was done, unless we did hear some positive results or action, that they thought maybe it was time that they would support me on this action against MFN for Romanian.

And so, if something is going to be done, it had better be done very quickly, and the members of this committee are sharing more and more my concern over this particular case, and that some action had better be taken, and taken very soon.

I thank you.

I thank you, Mr. Chairman, for your indulgence.

Mr. GIBBONS. Yes, sir. Thank you.

Thank you, gentlemen.

Our next witness is Mr. Larry P. McDonald, a Member of Congress from Georgia, our colleague.

Let me say that Mr. McDonald will be late. There is a Democratic Caucus proceeding at this time, so we will postpone him.

I think it would be inappropriate if I did not stop at this point and enthusiastically introduce our former Chairman, a very fine member of the Ways and Means Committee, Mr. Charlie Vanik, who always takes a very deep interest in the subject matter we are addressing here this morning. Mr. Vanik, we welcome you. [Applause.]

Our next witness is Mr. Warren W. Eisenberg, who is the director of the International Council of B'nai B'rith. Mr. Eisenberg, we welcome you.

STATEMENT OF WARREN W. EISENBERG, DIRECTOR, INTERNATIONAL COUNCIL OF B'NAI B'RITH, ON BEHALF OF THE CONFERENCE OF PRESIDENTS OF MAJOR AMERICAN-JEWISH ORGANIZATIONS

Mr. EISENBERG. Thank you, Mr. Chairman, and members of the subcommittee, for this opportunity.

I will skip through parts of the testimony, and basically let our written testimony stand.

Mr. GIBBONS. All right, sir.

Mr. EISENBERG. I am here to represent the Conference of Presidents of Major American-Jewish Organizations, an umbrella that consists of 36 organizations, which includes B'nai B'rith, regarding continuation of most-favored-nation status for Romania. B'nai B'rith itself has been deeply involved in the welfare of Romania Jewry since 1870, and as director of the International Council of the B'nai B'rith, I and many of our leaders, including our former president, Jack Spitzer, have held numerous exchanges with Romanian leadership.

The Conference of Presidents, whose current chairman is Rabbi Julius Berman, concerns itself with the welfare of Jews throughout the world, and as such we maintain close contact on this issue because of our concern for the welfare of the Jewish community in Romania and their right to be reunited in the ancestral Jewish homeland of Israel.

The Conference of Presidents' interest in the question of Romanian Jewish emigration heightened with the signing of the MFN agreement with Romania. Although the conference has supported renewal of MFN over the years, we have continued to express dissatisfaction with Romanian performance in emigration to Israel, from year to year, as we have watched a decline from some 3,729 in 1974 down to a figure that approached about 1,000 a year from 1978 through 1981.

In 1982, with considerable discussion, including substantial involvement on the part of Members of Congress, for which we are deeply appreciative, that figure rose by about 50 percent. We have long felt that there was room for improvement and 1982 proved that point. It also proved that MFN gave us a lever and an opportunity for reaching the Romanians; it proved that it made good diplomatic sense to maintain MFN because Romania's foreign policy has been one of the more independent, if not the most independent of the Warsaw Pact nations. One way Romania has expressed that independence has been to maintain relations with the state of Israel. In fact, it is the only eastern bloc country which does maintain relations with Israel.

Last year, some 1,513 Jewish emigrants went to Israel. What surprised us after difficult hearings, after debate and discussion, and after a recognition that some 1,500 Jews could leave, was that by November 1982 the Romanian Government had announced an education tax. Persons wanting to emigrate would be required to reimburse the government, in hard currency, for the cost of their education.

Now, we recognize that the Romanians have raised the argument that they face a brain drain. We also recognize that in emigration, the Jewish population is drawing from a decreasing pool to some extent. However, the attempt to place an education tax on would be emigrants was a threat and a disincentive.

As a result it is very difficult to appraise the situation and really determine who really wants to leave. However, we firmly subscribe to not only use of Jackson-Vanik as a tool, but we also recognize that in signing the Helsinki accords and other international agreements, Romania agreed to allow for freer emigration. We have consistently opposed Romanian obstacles to that emigration, whether it would be something like the tax or just bureaucratic delays.

We were pleased that President Ceaucescu of Romania decided to eliminate the tax, and that freed President Reagan to basically recommend another year of MFN for Romania. The Conference of Presidents basically supported the American position, that the education tax did violate the Jackson-Vanik amendment, which would lead to a cutoff.

So, on that basis, we felt supportive and were pleased with the action that we see paves the way for renewal. For this reason, the Conference of Presidents does support renewal for another year.

We also recognize that in the process of debate over the tax, as I said, there was a disincentive to individuals wanting to leave. There was an actual tax applied in some cases. The numbers this year nevertheless are running, as we understand it, close to the 1981 figure. We have reports that some 524 individuals have arrived in Israel from Romania for the first 6 months of 1983, so this approximates, at least on a 6-month basis, the 1981 figure. It does not approximate the high, for recent years, of 1982.

I would just like to make an additional point, which is that we feel Jackson-Vanik did provide leverage. It provided a negotiating basis for us in a difficult period when the Romanians had dug in on the question of the education tax, and that it does provide not only a trade benefit to the United States, but that it does provide this entree that we think is important.

For this reason, we also express support for the concept of Jackson-Vanik and for Jackson-Vanik as it stands in the law.

Thank you very much.

[The prepared statement follows:]

STATEMENT OF WARREN EISENBERG, DIRECTOR, INTERNATIONAL COUNCIL OF B'NAI B'RITH, ON BEHALF OF THE CONFERENCE OF PRESIDENTS OF MAJOR AMERICAN-JEWISH ORGANIZATIONS

Mr. Chairman, I am grateful for this opportunity to state the position of the Conference of Presidents of Major American Jewish Organizations, an umbrella organization consisting of 36 constituent bodies, regarding a continuation of Most-Favored-Nation status for Romania. B'nia B'rith itself has been deeply involved in the welfare of Romanian Jewry since 1870. As Director of the International Council of B'nai B'rith, I and many of our leaders have had fruitful exchanges with Romania's leaders.

The Conference of Presidents, whose current chairman is Rabbi Julius Berman, concerns itself with the welfare of Jews throughout the world. In keeping with this responsibility, it has sustained interest in the condition of the Jewish community in Romania and the right of Romanian Jews to emigrate to their ancestral Jewish homeland of Israel.

The Conference of President's involvement in the question of Romanian Jewish emigration heightened following the signing in 1975 of the U.S.-Romanian Trade Agreement calling for each nation to grant the other Most-Favored-Nation treatment with regard to customs, duties and charges. In waiving the application of subsections (a) and (b) of Section 402 of the Trade Act of 1974 for Romania, President Ford notified the Congress that he had received assurances that the emigration practices of Romania will henceforth lead substantially to the achievement of the objectives of Section 402. In this regard, President Ford cited the Declaration of the Presidents of the United States and Romania, signed in 1973, wherein it was stated, "they will contribute to the solution of humanitarian problems on the basis of mutual confidence and good will."

Although the Presidents Conference has consistently supported a renewal of Most-Favored-Nation status with Romania each year since 1975, we have also indicated some measure of dissatisfaction with the numbers of Romanian Jews allowed to go to Israel. In previous years' testimony to this Subcommittee, we have noted that emigration to Israel has gone from 3,729 in 1974—the last full year before MFN—to 2,372 in 1975, 1,982 in 1976, 1,347 in 1977, 1,141 in 1978, 991 in 1979, and 1,042 in 1981. This decrease can be partly explained by the aging character of the Romanian Jewish community, resulting in a steady reduction of the pool of prospective emigrants. But, as we have pointed out in the past, the decrease has also reflected the Romanian government's policy of discouraging emigration by limiting the number of persons issued passports.

Despite our belief that there was always room for improvement in Romania's emigration performance, we have felt that preserving Romania's MFN status was important for several reasons. Though the levels of emigration were lower than we would have liked, a significant number of Jews were allowed to leave, and MFN provided leverage for increasing those numbers and resolving some of the stubborn cases. Moreover, keeping the treaty made good diplomatic sense since Romania's foreign policy is the most independent of any Warsaw Pact country. One way Romania expresses that independence is in being the only Pact country to maintain formal displomatic and commercial ties with Israel. Indeed, the very fact that Romania enjoys good relations with both side in the Middle East conflict has enabled it to play a constructive role in furthering peace in that region.

Over the years, the Presidents Conference has encouraged the Romanians to relax their emigration procedures and allow greater numbers of Jews to go to Israel.

We believe our dialogue in 1982 with Romanian government representatives helped produce the best year for emigration to Israel since 1967, with 1,513 Jews going to Israel: we also received assurances that the often onerous emigration process would be shortened to six months.

But with this improvement in the emigration picture came growing Romanian concern about the "brain drain"—the loss of skilled and educated people to the West. In November the Romanian government announced the persons wishing to emigrate would be required to reimburse the government, in hard currency, for the cost of their education.

The Conference of Presidents agreed with the Reagan Administration that this new tax constituted a clear violation of the Jackson-Vanik Amendment, and that if it remained in force, Romania would disqualify itself for MFN.

Fortunately for Romania and for the United States, Romania's President Ceaucescu has decided to eliminate the tax, and President Reagan was therefore free to recommend another renewal of MFN to Congress. We are also pleased to note that Romania has assured Mr. Reagan that it will not create economic and procedural barriers to emigration, and has suggested, in letters to the Chairmen of the House Trade Subcommittee and the Senate International Trade Subcommittee, that Romania will adhere to a six month processing period for emigration applicants.

While the number of Romanian Jews going to Israel in the first half of this year has not kept pace with last year's high rate, we believe that this can be ascribed to the education tax and the reluctance of people to apply as long as it was in effect. Now that prospective emigrants are no longer subjected to the tax, we hope that the numbers will climb substantially making 1983 a good year for Jewish emigration to Israel.

The Conference of Presidents, therefore, does not hesitate to endorse a continuation of Most-Favored-Nation treaty status for Romania. We look forward to a continuing dialogue with the Romanian government on expediting the flow of emigration and meeting any problems that may arise in the future.

In conclusion, permit me to say a few words about the Jackson-Vanik Amendment. Since November, when Romania decreed the education tax, some Americans have suggested that the experience with Romania showed the bankruptcy of Jackson-Vanik as an effective tool in achieving freer emigration.

We submit that the experience with Romania this year proves just the reverse. Were it not Jackson-Vanik and the standards it establishes for favored trade status with the United States, the Romanian government might never have reconsidered its action. The fact that the tax has been lifted, the fact Romania is continuing to allow substantial emigration not only to Israel but to the United States and other countries, is a tribute to Jackson-Vanik and its own best testimony that this landmark piece of human rights legislation should be retained.

Thank you, Mr. Chairman, for this opportunity to present the views of the Conference of Presidents.

Mr. GIBBONS. Thank you, sir. I do not have any questions for you at this time, but I want to say I would be happy to meet with you any time in the office or any other time and discuss this matter with you. We appreciate the very fine, positive, and constructive way that you and your organization have proceeded in this matter.

Mr. EISENBERG. Thank you.

Mr. GIBBONS. Mr. Frenzel.

Mr. FRENZEL. I would like to echo those words. B'nai B'rith and the Organization of Presidents has been very active and very effective in this area. I can recall being in Romania—under the leadership of our former chairman—with Jack Spitzer, and we appreciate what you have done. So, despite the difficulty, your bottom line is that this extension should go forward?

Mr. EISENBERG. Yes, Mr. Frenzel.

Mr. FRENZEL. Thank you.

Mr. GIBBONS. Mr. Schulze.

Mr. SCHULZE. Thank you, Mr. Chairman.

I would like to in a way echo the sentiment of my two colleagues. I think you want to take a little harder line, but you have been an asset. In your opinion, if Romania had been granted MFN for a 5-year period last year, would we have been able to eliminate the education tax?

Mr. EISENBERG. I am not sure. It is hard to appraise what happened on both sides, because we locked into a very difficult situation. I would hope that everybody in a sense learned from the difficulties, and that the Romanians did, too, that the United States was very, very serious about canceling MFN, and I think the Romanians finally decided that it is important to them.

I think it is hard to gage what 5 years might do, but I think if you are looking in that direction, you would certainly need to have a review process which allows for a cutoff earlier, that gives the President that type of flexibility, because, I think, while on the one hand MFN or the Jackson-Vanik amendment, has been an effective leveraging tool, I would not want to leave it simply for 5 years without some review process and some ability and flexibility for cutoff, because obviously we do lock into disagreements.

Mr. SCHULZE. I agree with you, and that is why I have been very much opposed to the multiyear proposals, and believe that annual review is extremely important, and whether it is used or not, it is there as a tool which in this instance I am convinced we would still have the education tax had we not had the annual review. There is no question in my mind that it would still be there.

Do you or your organizations have any feelings about those people who paid the education tax? In some instances I understand it is as high as $30,000 or $40,000. Should not, in fairness and equity, that be returned to them?

Mr. EISENBERG. I would agree with you on the side of equity. I think it is something that probably the Israelis are working on directly, because these were emigrants to Israel, and it seemed to us when we heard about it that it was an exorbitant rate. There were not that many of them, so I think the question of restitution should be raised.

Mr. **Schulze**. But you agree that it was an extremely dangerous proposal, once spread?

Mr. **Eisenberg**. Absolutely, and for that reason we opposed it.

Mr. **Schulze**. I thank you.

Thank you, Mr. Chairman.

Mr. **Eisenberg**. Thank you very much.

Mr. **Frenzel**. Mr. Chairman, you were asked about the Romanian incidents with respect to multiyear MFN. What is your feeling with respect to Hungary, which has quite a different record?

Mr. **Eisenberg**. Well, I am not really here to testify on Hungary. I think we face a dilemma. I mean, you have different levels of performance. You have countries that essentially have no emigration problem that we know of, measured against one country that is attempting to perform, and I think we have to look at our overall policy to see what is fair to the United States, and what will produce the best result, and what will produce the most humanitarian result.

I do not think we want to jeopardize the emigration of individuals who are leaving Romania. I am not sure if you are looking for incentives, what applying one standard to one country would be versus a different standard for the other. I am not sure that the Romanians would see it as a fair proposition. Hungary does not really, as far as we know, have a Jewish emigration problem or, for that matter, a major one.

I may be overstating the case, but it is not something that has come to our attention.

Mr. **Frenzel**. Thank you.

Mr. **Gibbons**. Thank you.

Has Mr. McDonald come into the room? I do not see Mr. McDonald. Does Congressman McDonald have a staff member here? I just want you to know that any time he comes in, we will be happy to have him. I realize he is probably in the Caucus.

Our next witness is a panel consisting of Mr. Milton F. Rosenthal, Mr. Robert I. Pagnucco, and Mr. Lawrence Krulik.

Before I recognize you, Mr. Rosenthal, I want to say that I know firsthand of your hard work and successful work on this matter—particularly in this last year. I want to commend you for the determined and constructive way in which you served.

Thank you, sir. You may proceed.

STATEMENT OF MILTON F. ROSENTHAL, CHAIRMAN, U.S. SECTION, ROMANIAN-UNITED STATES ECONOMIC COUNCIL

Mr. **Rosenthal**. Thank you very much, Mr. Chairman. I greatly appreciate your reference to my efforts.

I am the American chairman of the Romanian-United States Economic Council, and have been for the last 8 years in that role, I basically am the spokesman for American industry to the extent that it is interested in bilateral trade relationships with Romania.

While I am the retired chairman and president of Engelhard Minerals & Chemicals Corp., and serve as a director of various companies, and as chairman of some, I do not appear on behalf of those companies, but rather, on behalf of the American business establishment as a whole, to the extent that it has accepted membership in the bilateral council.

Since I cannot complete the reading of the remarks which are in written form within the 5 minutes allotted to me, I will rest on the fact that they are part of the record of this proceeding, and will make a brief statement in lieu thereof.

Mr. GIBBONS. Let me say, Mr. Rosenthal, I regret that our time schedule has collapsed on us this week. When we scheduled this hearing, I thought that we would have plenty of time, but I want to say to you and every other member in the audience here that Members of Congress are always happy and anxious to see you in our offices, and the telephone is always available.

This is a serious and important matter that we are discussing, and I recognize it to be such. I feel the same frustrations that many feel over all of these matters, and I am striving within the best of my ability to see what we can do to solve all these problems. I know of the very fine work that you have done for a long, long time, and particularly in this last year, and I just want to publicly enthusiastically commend you for what you have done.

Mr. ROSENTHAL. That is most kind of you. I greatly appreciate that.

I would like to express on behalf of the council membership our thanks for the very constructive role which you personally played in the course of these very difficult discussions and negotiations which have led up to the President's recommendation. I think it is fair to state that the continuance of most-favored-nation status for Romania is the lynchpin of the bilateral trade relationship between the two countries. Without it, trade would wither, and for all intents and purposes disappear. I think this would be harmful to the American business community and to the American people as a whole, and therefore I think it is well within the interest of the United States and its people to continue that relationship.

I think that the existence of that relationship was almost indispensable to our being able to convince the Romanian authorities to desist from the implementation of the education tax, and I think it is very closely allied to the continued stream of emigration of people from Romania. Without it, I fear that that stream would also wither and basically dry up.

Beyond that, I rest upon the written statement which I prepared, which is part of the record, and I thank you very much for the opportunity to appear before you.

[The prepared statement follows:]

STATEMENT OF MILTON F. ROSENTHAL, U.S. CHAIRMAN, ROMANIAN-UNITED STATES ECONOMIC COUNCIL

Mr. Chairman, it is an honor to appear before your Subcommittee this morning. I am Milton F. Rosenthal, Consultant and Director of Phibro-Salomon Inc. and Chairman of the Board of the Engelhard Corporation. For the last seven years, I have also served as the United States Chairman of the Romanian-United States Economic Council.

The Council was established in 1973 by the United States and Romanian Chambers of Commerce to provide a channel of communication between business leaders in the two countries. Its members represent a broad cross section of commerce and industry dedicated to the improvement of United States-Romanian commercial relations. A list of the American membership is attached to this statement.

I appear this morning on behalf of the Council in support of the President's decision to extend most-favored-nation tariff status to Romania. I am particularly pleased to have the opportunity to appear before you, Mr. Chairman, to express our gratitude for your part in making this year's extension of most-favored-nation tariff treatment a reality.

Earlier this year, it appeared as if enactment of an education repayment tax in Romania would necessitate the termination of Romania's most-favored-nation tariff status. As you know, education is provided at government expense in Romania. In order to compensate for the cost of this education, the Romanian government promulgated in November a decree requiring those individuals wishing to emigrate from Romania to pay the state for the cost of their secondary and university education.

While the Romanian Government believed the tax to be just, the basic fact is that the tax put Romania in conflict with U.S. law as it relates to the retention of U.S. column 1 tariff status. For this reason, the President announced that if the Romanians were to continue implementation of the tax, he would not by law be able to extend most-favored-nation treatment for an additional twelve-month period.

Following the President's announcement, the Department of Commerce estimated that if most-favored-nation tariff treatment were to be terminated, Romania would lose some $2.5 million in U.S. export earnings in the next five years. Termination of column 1 tariff treatment, as noted by the Department, would also result in Romanian ineligibility for U.S. government credits and credit guarantees. Both actions necessarily would have a profound impact upon Romania's ability to purchase from the United States.

The implications of such actions are immense. Many experts agree that if American trade channels were curtailed, Romania would be forced to reorient its trade increasingly toward the Soviet Union. Declining hard currency earnings would also have serious implications for Romania's ability to meet its debt repayment obligations. All of these actions would have had serious consequences for numerous American corporations, as well as the financial community at large.

It was with these concerns in mind that a number of U.S. members of the Romanian-U.S. Economic Council requested and received meetings with ranking members of the Romanian government. I too had the opportunity to meet at length with Romanian President Nicolae Ceausescu to discuss the broader implications of most-favored-nation tariff termination. In addition to the positive and constructive nature of these meetings, they served to illustrate the strength and openness of the U.S.-Romanian commercial relationship.

I was also extremely gratified by the importance that leaders of Congress attached to the resolution of this issue. Again, Mr. Chairman, my thanks to you for your willingness to meet with members of the business community, often at short notice, to explore ways for resolving the most-favored-nation tariff problem. The meeting that you and other members of the Trade Subcommittee had with Romanian Foreign Minister Andrei, in the final analysis, was instrumental to the solution reached by our two governments.

While the education tax/most-favored-nation tariff controversy might have been avoided had the communication channels between our two countries functioned more efficiently and expeditiously, in retrospect, I am hopeful that the affair will have a positive impact on our bilateral relationship. As with any relationship, one encounters growing pains and misunderstanding. However, the difference between the failure of a relationship and the long-term stability of a relationship, is the degree of flexibility exhibited by the partners to that relationship, and their willingness to work out problems.

If there is a lesson to be learned by this controversy, I believe that lesson involves the importance of a positive and open trade relationship. Were it not for the strong trade ties between our two nations and the resultant channels of communication developed by American business, this problem might not have had a positive resolution. Of course, the 1975 trade agreement, which includes provision for the extension of most-favored-nation tariff treatment, is an integral part of this trade relationship.

Mr. Chairman, let me conclude this statement by again underlining the Economic Council's support of the President's decision to extend most-favored-nation tariff status to Romania. Nondiscriminatory tariff treatment has had and will continue to have a positive impact on the U.S.-Romanian bilateral relationship. In this regard, we appreciate your role and that of this Subcommittee in support of a strong and forward looking bilateral trading system.

Attachment.

ROMANIAN-UNITED STATES ECONOMIC COUNCIL MEMBERSHIP

CHAIRMAN

Milton F. Rosenthal, Consultant and Director, Phibro-Salomon Inc., and Chairman of the Board, Engelhard Corporation.

VICE CHAIRMEN

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Albert Gore, Chairman of the Board, Island Creek Coal Company.
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Claus M. Halle, President, the Europe and Africa Group, The Coca-Cola Export Corporation.
Paul H. Hatfield, Group Vice President, Ralston-Purina Company.
Carl R. Heeremans, Area Director, Eastern Europe, Monsanto Europe S.A.
Norman Heller, President, PepsiCo Wines & Spirits International.
John V. James, Chairman of the Board, President, and Chief Executive Officer, Dresser Industries, Inc.
Gopal K. Malkani, Executive Vice President, MWA Company.
R. C. Megargel, President, General Tire International Company.
James Nightengale, President, BNI International, Inc.
W. J. O'Hara, Vice President, Armco International, Inc.
L. Don Perkins, Executive Vice President, The Randall Corporation.
John F. Pittas, President, UOP Process Division.
John J. Roberts, Chairman of the Board, American International Underwriters.
John S. Schwendiman, Manager, International Business Environment, Executive Department, The Dow Chemical Company.
Philip H. Seaver, President, The Badger Company, Inc.
Spyros S. Skouras, President and Chief Executive Officer, Pudential Lines, Inc.
Herbert Spitzer, Assistant Vice President, Cometals, Inc.
George J. Stathakis, Vice President and General Manager, International trading Operations, General Electric Company.
Christopher E. Stowell, President, WJS Incorporated.
Graham Tyson, Chairman and Chief Executive Officer, Dataproducts Corporation.
R. J. Wean, Jr., President and Chief Executive Officer, Wean United, Inc.
David R. Weisman, Executive Vice President, Felton International Inc.
R. D. Wendeborn, Executive Vice President, Ingersoll-Rand Company.

Mr. GIBBONS. Thank you.

Mr. Pagnucco.

STATEMENT OF ROBERT I. PAGNUCCO, VICE PRESIDENT, EASTERN EUROPEAN REGION, PEPSICO INTERNATIONAL

Mr. PAGNUCCO. Thank you, Mr. Chairman and members of the committee, for allowing me to appear before you today.

My name is Robert I. Pagnucco. I am vice president of PepsiCo International, responsible for its activities in Eastern Europe, and accordingly, I would like to summarize my written statement that I have submitted for the record.

Mr. GIBBONS. All right, sir.

Mr. PAGNUCCO. PepsiCo strongly supports the President's decision to continue in effect the waiver authority under section 402 of the 1974 Trade Act for the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China.

The primary basis for our trade with Romania and Hungary is our major product, Pepsi-Cola. Our oldest partner in Eastern Europe has been Romania, which commenced in 1967, and we gained a new business partner when we introduced Pepsi-Cola into Hungary in 1970. Our trade relationship with Romania and Hungary have been based on the grounds of confidence and respect for one another in the commercial arena.

We at PepsiCo strongly believe that the mutual respect developed in business relationships greatly contributes to and are extremely vital means of sustaining open lines of communication and improving cultural and political understanding.

In that context, Mr. Chairman, we are confident that the careful deliberation of this committee and the continuing dialog between the United States and the Socialist Republic of Romania regarding the objectives of section 402 of the Trade Act have been more meaningful as a result of positive economic ties between the two countries.

We are gratified by the assurances given by the President of Romania, Mr. Ceaucescu, that Romania would not require reimbursement to the state for education costs as a precondition to emigration, and that Romania would not create economic barriers to emigration.

In our judgment, that decision is part of a statement that values sound trade relations.

Now, let me briefly comment on the conditions of our business relationships in Romania and Hungary. In recent years, concerns have been raised regarding many Eastern European countries' economic stability and ability to meet their commitments. I would like to report to this committee that those concerns are very real. Both countries are facing, to one degree or another, convertible currency shortages aggravated by generally depressed conditions withiin the world economy.

Nonetheless, it has been PepsiCo's experience that both Romania and Hungary have been and continue to be stable and reliable partners. They are meeting their contractual obligations, and together we are looking for avenues to further expand our joint relationships.

We recognize, however, that maintaining most-favored-nation status is critical to both the continuing economic stability and the further economic growth of these two countries.

In closing, I would like to make a final observation. We favor a periodic review of most-favored-nation status as an important element to insuring that U.S. businesses engaged in trade with Eastern Europe receive fair and equitable treatment in return for certain considerations extended to our partners under most favored nation.

Currently Congress, and in particular this committee, reviews the status on an annual basis.

From the perspective of business planning, however, we feel it would be appropriate for the committee to consider whether extending trade benefits for a longer period, for example 3 to 5 years, would be more productive. Certainly, the longer period would afford businesses such as ours greater flexibility in long-range planning.

Accordingly, I would like to take this opportunity to express our support for H.R. 2770, introduced by you, Mr. Chairman, and cosponsored by Mr. Frenzel and Mr. Jones.

I thank you for the opportunity of appearing before you today and I would be pleased to answer any questions that you or members of your committee might have.

[The prepared statement follows:]

STATEMENT OF ROBERT I. PAGNUCCO, VICE-PRESIDENT, EASTERN EUROPEAN REGION, PEPSICO INTERNATIONAL

Mr. Chairman and members of the Committee I would like to thank you for allowing me to appear before you today.

My name is Robert I. Pagnucco. I am Regional Vice-President, Eastern Europe, PepsiCo International. I am here today, on behalf of PepsiCo Inc. and its division PepsiCo International.

I would like to express PepsiCo's strong support for the President's decision to continue in effect the waiver authority under Section 402 of the 1974 Trade Act to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China.

PepsiCo, Inc. is engaged in the sale of consumer products on a world-wide basis. In Eastern Europe, soft drinks constitute our major product. I am responsible for our Company's operations in all Eastern European countries. In that capacity, I am quite familiar with all aspects of our business relationships and, in particular, international trade with the Socialist Republic of Romania and the Hungarian People's Republic and the People's Republic of China.

The primary basis for our trade with Romania and Hungary is Pepsi-Cola, our major product. Our oldest partner in Eastern Europe is Romania where we first introduced Pepsi-Cola in 1967. In Hungary we gained a new business partner when we introduced Pepsi-Cola in 1970. Since then, our operations have continued to grow and we currently bottle Pepsi-Cola in numerous facilities in both countries.

As background I would like to emphasize to this Committee that the basis for our business operations in both Hungary and Romania is a licensing arrangement. Both PepsiCo and the Governments involved view this arrangement as a shared investment in working toward a stable and prosperous economic future. As a result, we have a true partnership with each country which contributes both to the economic growth of that Nation and to building bridges for greater international understanding. Our trade relationships with Romania and Hungary have been based on the grounds of confidence and respect for one another in the commercial arena.

We, at PepsiCo, strongly believe that the mutual respect developed in business relationships greatly contributes to and are an extremely vital means of sustaining open lines of communication and improving cultural and political understanding.

In that context, we are confident that the careful deliberations of this Committee and the continuing dialogue between the United States and the Socialist Republic of Romania regarding the objectives of Section 402 of the Trade Act have been more meaningful as a result of positive economic ties between our two countries. We were gratified by the assurances given by the President of Romania, Mr. Ceausescu, that Romania would not require reimbursement to the State for education costs as a precondition to immigration, and the Romania would not create economic or procedural barriers to immigration. In our judgment that decision is in part a testament to the value of sound trading relations.

Now, let me briefly comment on the conditions of our business relationships in Romania and Hungary. In recent years, concerns have been raised regarding many

Eastern European countries' economic stability and ability to meet their commitments. I would like to report to this Committee that those concerns are very real. Both countries are facing, to one degree to another, convertible currency shortages, aggravated by generally depressed conditions within the world economy. Nonetheless, it has been PepsiCo's experience that both Romania and Hungary have been, and continue to be, stable and reliable partners. They are meeting their contractual obligations and together we are looking for avenues to further expand our joint relationships.

We recognize, however, that maintaining Most Favored Nation's status is crucial to both the continuing economic stability and the future economic growth of these two Countries. Even though world economic conditions continue to be depressed, international trade is an important component of economic stability and growth and the ability to compete on an equal footing with other Countries seeking to export to the World's largest market is a very important part of Hungary and Romania's international trade.

In closing, I would like to make a final observation. We favor a periodic review of Most Favored Nations status as an important element in ensuring that U.S. businesses engaged in trade with Eastern Europe receive fair and equitable treatment in return for certain considerations extended to our trading partners under the Most Favored Nation's status. In addition, we recognize that such reviews afford the opportunity to determine that our trading partners are performing in accordance with all the provisions of the Trade Act including Section 402. Currently the Congress and in particular this Committee review that status on an annual basis.

From the perspective of business planning, however, we feel it would be appropriate for the Committee to consider whether extending trade benefits for a longer period, i.e. 3 to 5 years, would be more productive. Certainly this longer period would afford businesses such as ours greater flexibility in long range planning.

Accordingly, I would like to take this opportunity to express our support for H.R. 2770, introduced by Chairman Gibbons and co-sponsored by Mr. Frenzel and Mr. Jones of this Subcommittee. This legislation would place the Hungarian Peoples' Republic and the People's Republic of China on a five-year cycle. Certainly, we hope that if Romania continues to perform in accordance with the spirit and principles of the 1974 Trade Act, that this Committee and the sponsors of H.R. 2770 would look favorably upon including the Socialist Republic of Romania in a similar five-year cycle.

Mr. Chairman, I thank you for the opportunity to appear here today and I would be pleased to answer any questions you or the Members of your Committee may have.

Chairman GIBBONS. Thank you, sir.

And now Mr. Krulik.

STATEMENT OF LAWRENCE KRULIK, CHAIRMAN OF THE BOARD, UNITED STATES LUGGAGE CO.

Mr. KRULIK. Thank you, Mr. Chairman.

My name is Lawrence Krulik. I am chairman of the board of the United States Luggage Co., located in Long Island and New York City.

I want to thank you for permitting me to appear before you this morning and to voice my opinion with respect to the continuation of Romania's most-favored-nation status. I am here not only in my capacity as chairman of the United States Luggage Co., but as a citizen and as an individual who is deeply concerned with the best interests of our country, both politically and economically.

In addition to my interest in United States Luggage, I have interests in other companies which have been involved for many years in importing products from various countries, many of which are underdeveloped countries. I have been traveling throughout the world for these business reasons for approximately 16 years, having been involved with the importation of merchandise from countries such as India, Taiwan, Hong Kong, Korea, Japan, Brazil, as well as Romania and other countries.

Therefore, I have had the experience and opportunity to deal with many countries and their personnel, to see and study to the best of my ability their people, their standard of living, their economy, and to some extent their governments. Naturally, after every trip I am happy to be back in my country, the United States.

The United States Luggage Co. has been in business for more than 85 years. Its major products consist of leather and vinyl luggage, and in recent years leather and vinyl portfolios and attaché cases.

Because of the ever-increasing cost of material and labor, the prices of our products escalated substantially, to a point where the prices required by us to survive eliminated us from the marketplace for the consumers who were interested in purchasing our products, namely middle America.

Our company was faced with substantial competition from other American companies who imported their products and were therefore able to sell such products at a much lower price. In order to survive, we saw no other alternative but to likewise seek importation of our products. Approximately 3 years ago, based on the efforts of our company's president, the company entered into purchasing agreements with an agency of the Romanian Government. Since then, the major portion of our products have been imported from Romania.

The company has found the representatives of the Romanian agency to be most reliable, cooperative and ethical in their business relationships with our company. They were most anxious to do business with the United States, and in many instances it gave these individuals the opportunity to see, hear, and experience relations with Americans.

The Romanian agency has fulfilled its obligations with our company, both in the quality of the product, the prices agreed upon, and in timely delivery. As a result, our company has expanded and has operated more successfully.

I believe that the most-favored-nation status that has been applied to many countries, including Romania, has had a positive economic effect on these countries, as well as our own, and has created good relations and feelings between these countries and the United States. It is also my opinion, based on my observations, that increasing business with Romania and its people will help increase that country's standard of living and will have a positive effect on moving Romania closer to the U.S. way of life.

It is my understanding that Romania, although an Eastern bloc country, is one of the few countries that has met its obligations to the United States, that it has imported more than it has exported to the United States, and has indicated independence from the U.S.S.R. in many ways.

Cancellation of most-favored-nation status of Romania would have a drastic negative effect on the economy of Romania and in turn affect its present positive relations with the United States and make it more dependent on Russia.

Moreover, from our point of view, since a major part of our business is based on the importation of portfolios and attaché cases from Romania, our company may not be able to survive without the most-favored-nation status for Romania. Middle America will be deprived of the opportunity to purchase a quality product at a price it could afford.

Again, as a small businessman who may not be able to see the entire global effect of all policies of the United States, I would like at this time to thank you for giving me this opportunity to express my views, and I wish to urge you, Mr. Chairman, and your committee to recommend continuation of the most-favored-nation status to Romania, as I am convinced that this is in the best interest of the United States.

Thank you.

Chairman GIBBONS. Thank you.

Mr. Schulze.

Mr. SCHULZE. Thank you, Mr. Chairman.

According to the figures that I have, our exports to Romania dropped dramatically in the past couple of years. I think one of you said that they had increased. The figures that I have of U.S. exports to Romania in 1980 were $720.2 million, and in 1982 were $223.2 million, where our imports have gone in 1980 from $312.2 million to $347.8 million.

So the advantage is certainly on the Romanian side, not on our side. And if you look at the latest figures that we have comparing January to March of 1982 to January to March of 1983, they show that in 1982 the figures were $91.1 million for U.S. exports versus $52.2 million for 1983—again, a fairly substantial decline.

It is very difficult for me to put a dollar value on the oppression that many of these individuals are living under in Romania, and it is very difficult for me, as a conservative and as a capitalist, to see our companies over there profiting while this kind of action goes on, and it is discouraging.

In the luggage business, what is the average salary in Romania versus the United States?

Mr. KULIK. Approximately $225 in U.S. currency per month.

Mr. SCHULZE. In the United States it would be what?

Mr. KULIK. On the average, I would say the United States would be in the area of about $600 or $700 per month.

Mr. SCHULZE. What we are really doing is exporting jobs from the United States to a country which uses extremely oppressive methods.

A couple of years ago they put on another barrier to emigration, which was a preclearance, and when these hearings came up that was dropped. And now the education tax, and that is dropped. It has been a continual pattern of blockage of human rights and of the right and freedom to emigrate.

And yet you come before us and say what a marvelous place it is to do business. Have you no conscience?

Mr. PAGNUCCO. Mr. Congressman, I think I share your frustration. I think it is well taken. But trade is an avenue through which dialog takes place. Probably it is the only one that may be open. I think it has to continue, because if we walk away from trade, if we do not trade with these countries, I believe we are not going to have dialog, because we have differences, as you have indicated today.

And I guess our hope is that through this trade, through this dialog, the conditions that you speak of could be improved. So I think we do have pride. PepsiCo is America.

Mr. SCHULZE. If you were convinced that the elimination of this trade would be beneficial, would that change your attitude?

Mr. PAGNUCCO. Pardon me, sir?

Mr. SCHULZE. If you were convinced that if trade were to be cut off tomorrow it would in the long run improve the conditions of the individuals, give them more freedom in the long run, would that change your attitude?

Mr. PAGNUCCO. Well, of course that is, shall we say, a no-brainer, sir. Yes.

But I do not believe that will happen. I think once we close the door we are going to put them into a different direction, and I think history will repeat itself. I think we will put them in an isolation condition. They will be dependent on other people and I——

Mr. SCHULZE. Well, they can certainly turn to their other Socialist brothers and their marvelous economies, and they will be able, you know, with two-way trade to do great things. They can buy Pepsi-Cola in the Soviet Union, or Coke, I guess, back and forth. They can swap the Pepsi for the Coke and sell the luggage to all the Soviets who wish to emigrate. I will bet they buy a lot of suitcases in hopes that they could get out.

There are all kinds of two-way trade they could have with their socialist nations.

Mr. PAGNUCCO. But your objective will not be achieved.

Mr. SCHULZE. You are darn right it would not.

Mr. PAGNUCCO. So I think trade is the avenue that has to continue.

Mr. ROSENTHAL. May I try to respond also?

Mr. SCHULZE. Go right ahead.

Mr. ROSENTHAL. I have personally been involved in international business for 37 years, and I have traveled in many of these countries which do not observe the same ideals in the humanitarian area as our country does. And I have never abandoned or concealed any of my own dedication to those ideals when I traveled in these countries.

I have seen very closely the situation in the Soviet Union, for example, where the stream of emigration has practically disappeared, and I believe very strongly that if there had been a different pattern of trade relationships between the United States and the Soviet Union that stream would exist at the present time.

In the case of Romania—and I believe I am as familiar as any American businessman with that situation because of my many visits there and my participation in the economic council over the last 8 years—I think that the interruption of most-favored-nation status would have the direct effect of reorienting Romania's trade to the Comecon countries, and there would be no incentive whatsoever on their part to adhere to any of the ideals which you hold so dear and which I do also which relate to the humanitarian area.

And I echo the sentiments of the gentleman who just spoke to you in saying that the denial of MFN would have the very reverse effect of what you are really seeking. The best avenue for us to press forward in trying to spread adherence to these ideals which we hold so highly is for us to have a basis for communication and intercourse with these people. And the best methodology that I have observed for achieving that is trade relationships which foster interdependence, rather than the reverse.

Mr. **Schulze**. Mr. Rosenthal, that is awfully easy for us to say, because we come back home. We do not have to stay there. I am sure you have to think two or three times when you go into a country and you happen to take two Bibles with you that it is a crime if you give one to somebody, and that kind of thing.

It has got to make you think, what kind of people are these, and how much success have we made, and with our declining trade balance are we really getting anywhere? Is it worthwhile?

I do not have any idea how much of the Soviet Union's resources are taken up with prison camps and gulags, but it has to be a drain, you know, if people are doing without because of that kind of thing. The same is true in the other Socialist Eastern European countries that are captive nations.

I just think we have got to take a new look at this whole thing and take perhaps a different approach. But I thank you for your testimony.

Let me ask you one question, since we had an experience last year. Were any of you gentlemen asked by Romanian or other sources to testify here today or to present your views?

Mr. **Pagnucco**. Yes, I was. I was asked by officials here in Washington, that if I would return as last year and set forth our position as it relates to trade, specifically to trade.

Mr. **Schulze**. Would you say that there was any pressure, or was it just a request?

Mr. **Pagnucco**. No, there was no pressure.

Mr. **Krulik**. I was asked, Mr. Congressman. It was strictly a request on their part.

Mr. **Schulze**. You were both requested.

Mr. **Rosenthal**. May I add, Congressman, that I personally monitor that situation in my capacity as the chairman of the American section of this council. If I had discerned undue pressure for people to say things in which they do not believe, I would personally have objected and not permitted it.

Mr. **Schulze**. Thank you.

Chairman **Gibbons**. Our next panel will consist of: Mr. Birnbaum of the Center for Russian and East European Jewry; Ms. Laber; and two distinguished State senators from the State of Kentucky. I wonder if all of you would come forward now.

Let us go first to the witnesses the way the staff has them listed. We will go first to Mr. Jacob Birnbaum.

STATEMENT OF JACOB BIRNBAUM, NATIONAL DIRECTOR, CENTER FOR RUSSIAN AND EAST EUROPEAN JEWRY

Mr. **Birnbaum**. Thank you very much, Mr. Chairman.

This has been a memorable year. We have seen the persistence and victory of the Jackson-Vanik amendment. Secretary of State Shultz last month said that the action of Jackson-Vanik in connection with Romania had convinced him of its effectiveness.

I remember very well before Jackson-Vanik came on the scene the numerous pious resolutions initiated in the name of human rights, and I am afraid that they did not go very far. However, with Jackson-Vanik, with the excitement every year, every summer in connection with Romania, our concerns suddenly acquired bite.

Now, I believe that we should consider further ways of increasing our economic and technological leverage with the Romanians. Human rights groups, both Government, congressional, and non-Government, should get together to look into the matter.

Also, the Congress ought to consider increasing its leverage through the Banking and Agricultural Committees. The Banking Committee has oversight over Export-Import Bank credits and loans and the Agriculture Committee over the Commodity Credit Corporation, which also gives loans and credits. I, myself, would be happy to participate in such consultations.

President Reagan has just received assurances from President Ceausescu, but we feel that we do not have sufficient information as to the substance and details of these assurances. We know they deal with the education tax, but there are two other matters they do not appear to refer to.

Do those assurances deal with other sections of the Romanian decree, the section dealing with medical expenses, forced confiscation of the property of emigrants, the treating of prospective emigrants as aliens in their own country?

Second, has any attempt been made to repay some of those U.S. citizens who were panicked into paying huge sums of money to the Romanians on behalf of their relatives? I know of a couple, for example, a poor couple who frantically borrowed almost $40,000 to get their daughter and son-in-law out. I think the committee should investigate the possibilities of getting that money back. It is not a large sum altogether, probably less than $100,000.

The most critical questions we should consider are Ambassador Malitza's written assurances last July and August, to this Trade Committee on questions of emigration procedure, of acceleration of time process, and of harassment of prospective emigrants.

It is not clear whether assurances to the President really cover this, and I would suggest that the administration continue its high-level bilateral discussions with even greater vigor. I am not at all sure whether there is intention to do this, and I would plead with this committee to recommend to the administration the persistent and ongoing discussion of all the details as we had last year.

Third, before the committee makes its decision it should try to get something—get something out of the Romanians; namely, the resolution of some hard cases, some good will gestures.

For example, there is a group of four people who were arrested 29½ years ago, January 1954; they have been in terrible trouble since. Without a state amnesty they cannot leave. This is 30 long years of suffering. These are old people. They want to join their children and grandchildren.

There is a precedent in both 1978 and 1980 of congressional intervention. During the summer hearings of 1978 and 1980, the Romanians within a few days of the congressional request, granted

Shieen amnesty. I plead with this committee to try to help to end the suffering of these four old people.

Finally, the question of the Israeli backlog, of Jewish emigration to Israel. I and others have calculated there are 2,500 people backlogged at any one time. These figures have been worked out in great detail. Accordingly, I cannot understand how we can have an annual emigration of only 1,000.

It is true we had 1,500 going to Israel last year as a result of our enormous campaigns in the Congress, and we have received vague promises that perhaps the figures will be very close to 2,000 this year. The first 6 months of this year do not show that. It is just 500-plus, which if it continues at this rate would make a 1983 total of over 1,000; we need assurances that the backlog will be cut down.

The 2,500, incidentally, Mr. Chairman, are only registered people. There are in fact many more thousands who, because they cannot get the short forms or because they are afraid to go to the police station to register. In my estimate, 4,000 to 5,000 people a year would leave after a short time.

Mr. Chairman, the history of this agreement and the experience of this year have shown once more the need for extreme vigilance in this area, and I hope that the committee will continue to cooperate closely with the Helsinki Commission. Before the day is over, let's ask the Romanians to give us some gestures of good will and release some of the hard cases which have been hanging around for so many years, particularly these four people who have been waiting for 30 years. They need an amnesty.

Thank you very much.

[The prepared statement and attachments follow:]

STATEMENT BY JACOB BIRNBAUM, NATIONAL DIRECTOR, CENTER FOR RUSSIAN AND EAST EUROPEAN JEWRY

SUMMARY

"I would like to reaffirm the position of the Romanian government to constantly improve the procedures for emigration . . . including reducing the time period for processing the applications, and to eliminate bureaucratic delays and abuses. The Romanian authorities reaffirm their position of not subjecting applicants to discriminations, and are determined . . . to have this policy strictly implemented."—Romanian Ambassador M. Malitza, Aug. 1982.

The Ambassador wrote these words to the Congressional trade subcommittees and other key legislators as a result of our intensive April–August 1982 campaign with the White House and Congress. These were the first written assurances received from the Romanians since they obtained MFN in 1975.

Question. How trustworthy are Romanian promises, even written ones?

The history of the past year shows once again the need for vigilant monitoring by this committee in cooperation with the Helsinki Commission.

Shortly after the Bucharest visit of Assistant Secretary of State for Human Rights Elliott Abrams on October 6, 1982, Ceausescu signed the education repayment decree on October 22nd, though this totally contravened the "freedom of emigration" Section 402 of the 1974 Trade Act (Jackson-Vanik Amendment). The White House delayed public response for months in the hope that the decree would be suspended. Finally, on March 4, 1983, President Reagan gave a June deadline. After further months of defiance, Ceausescu sent the White House written assurances which have not been made public. On July 3, 1983, the President declared: "I have received assurances from the President of Romania that Romania will not require reimbursement to the state of education costs as a precondition to emigration, and that Romania will not create economic or procedural barriers to emigration."

Questions. What is the nature and substance of these assurances?

What is being done to reimburse U.S. citizens who were panicked into paying the education tax for their Romanian relatives?

How do these assurances apply to the taxes mentioned in the decree other than the education tax?

Do the assurances cover (a) the simplification of emigration procedures (b) the acceleration of the exit process (c) harassment of prospective emigrants?

Will the Administration continue high-level bilateral discussions on an ongoing basis for a more fundamental modification of the emigration process?

Romanian emigration to Israel

The 1982 increase to 1515, compared with 1981's 973, falls far short of Romanian Jewish emigration needs. Though some Jews have difficulties merely registering and many more are afraid to do so, some 2,500 are actually registered at any one time. Thus, there is always a considerable backlog. Annual Jewish emigration could easily accelerate to 4,000–5,000.

Question. Why so large a backlog at any one time?

Amnesty for four old men after 30 years of suffering

Isaac Bleichner, Natan Fleischer, Samuel Feiden and Herman Rubinger were seized in January 1954 in Vatra-Dornei on minor charges at a time of widespread Soviet bloc trials of Jews. They cannot join their children and grandchildren abroad without a state amnesty. 18 much more complicated cases were amnestied during the 1980 and 1982 trade subcommittee hearings. The chairman has a unique opportunity to help end 30 years of misery by personal representations to the Romanian authorities.

Role of the Jackson-Vanik amendment

In June 1983, Secretary of State Shultz declared that the Jackson-Vanik Amendment has been central to overcoming the educational repayment decree. If the recent Supreme Court decision regarding the Congressional veto weakens Congressional leverage with Bucharest, new economic pressures can be generated through the banking and agriculture committees on account of their oversight of Ex-Im and CCC credits and loans.

1980 Refugee Act

This Act resulted in halving the U.S. Romanian immigration quota. We welcome steps to modify its impact.

STATEMENT

This is the ninth year that Congressional trade committees are considering the extension of the waiver of the "freedom of emigration" provision of Section 402 of the 1974 Trade Act.

1982 breakthrough: Romanian concessions and renegement

It has been a memorable year for human rights in Romania. The summer of 1982 saw the most extensive campaign ever in Washington to press Bucharest to conform with the Jackson-Vanik Amendment and the Helsinki Final Act.

Our 1981 discussions with the White House bore fruit with the President's strong statement of June 2, 1982 condemning Romania's "negativistic emigration policy". A number of human rights groups cooperated in an ad hoc coalition for human rights in Romania, and for the first time Bucharest made small but significant modifications of repressive religious policies.

An extensive Romanian counteroffensive to our saturation campaign in Congress failed, however, to alleviate Congressional concern. We demanded written assurances to replace the vague Romanian statements of previous years regarding (1) the simplification of emigration procedures, (2) the acceleration of the emigration process and (3) the cessation of harassment of would-be emigrants. We persuaded a number of House trade subcommittee members to communicate forcefully along these lines with the Romanians.

Finally, at the beginning of August 1982, Romanian Ambassador Mircea Malitza wrote letters to the trade subcommittees and certain key legislators containing the following language: "I would like to reaffirm the position of the Romanian government to consistently improve the procedures for emigration for Romanians to the United States, to eliminate any bureaucratic delays or abuses that might occur . . . There is a firm desire of the Romanian government to make further progress in the field of procedures of emigration, including the question of reducing the time period required for processing the applications.

"At the same time, Romanian authorities reaffirm their position of not subjecting the persons tendering application for emigration to discriminations, and are determined to take the necessary steps in order to have this policy strictly implemented."

Following meetings we set up with Senate staff officials and Congressional aides just before the Senate trade subcommittee hearings, Senate Finance Committee Chairman Bob Dole announced a resolution which had the effect of publicly voicing Congressional desire for concrete improvements in these areas.

A few weeks later, on October 6th, Assistant Secretary of State for Human Rights Elliott Abrams visited Bucharest, seeking to consolidate the gains of the summer. The personal assurances he received from Romanian officials also included a denial that any education tax on would-be emigrants was contemplated. Shortly thereafter, on October 22, the Romanian State Council announced President Ceausescu's signature to the "educational repayment decree", effective November 1st.

Jackson-Vanik overcomes the education repayment tax

We will not discuss here the reasons for the imposition of such a decree, making US renewal of MFN preferential trade tariffs and associated credits impossible at a time of great economic decline in Romania and political coolness between Moscow and Bucharest. For several months, Romanian officials loudly declared that the decree was unchangeable. We remained firm in our conviction in the power of the Jackson-Vanik Amendment. We found it hard to believe that at a time of national bankruptcy second only to that of Poland, the effective loss of $250,000,000 US currency, the diminution of valuable business contacts in expanding markets as well as the potential of future credits from the Ex-Im Bank and the Commodity Credit Corporation (CCC), that Romania would hold out. Nevertheless, during these very difficult months, Romanian concessions did not appear certain, and a number of US relatives of Romanian exit applicants panicked and paid the ranson money.

High level bilateral discussions proved apparently fruitless. Consequently, on Marcy 4, 1983, President Reagan announced the termination of Romanian MFN unless the tax was removed by June 30th. Finally, after Romanian Foreign Minister Stephan Andrei's Washington trip of May 17-18, reports began to reach us that Romanian officials were no longer insisting on the education tax, nor were they requesting hard Western currency in relation to the other taxes mentioned in the decree.

However, disturbing instances of noncompliance soon surfaced, for example, the continuation of the tax for persons going to countries other than the US, West Germany and Israel. Vigorous US response apparently rectified these infractions. Though evidence of nonimposition was still somewhat fragmentary, the President recommended renewal of Romanian MFN because "I have received assurances from the President of Romania that Romania will not require reimbursement to the state of education costs as a precondition to emigration, and that Romania will not create economic or procedural barriers to emigration."

What is the nature of Romanian assurances to the White House?

We understand that some of these assurances were received in writing (another first), but the White House has refused to make them public or even to discuss them. Consequently, we must ask, what is the nature and substance of these assurances? To what extent do they cover for the future the provisions of the decree other than the education tax? For example, the payments of "medical expenses, taxes and tariffs for foreigners"—the prospective emigrants is treated as a "foreign tourist" for the remainder of his stay. What about the wholesale confiscation of homes, land and the various taxes on personal possessions? Do the President's words "procedural barriers" mean the same thing as last August's Romanian assurances to Congress regarding simplification and accelration of the emigration process? What about harassment of prospective emigrants?

Unfortunately, we continue to hear of individuals whose requests to leave go unanswered, and of others who are persistently refused exit visas. On June 27th, an extraordinary report reached me from an American with relatives in Cluj. On June 24th, a group of would-be emigrants had been assembled in the town and informed by the Securitate that emigration was finished, no more application forms were available from the State Council in Bucharest, and there would be no job reinstatement for those dismissed when they applied to leave. U.S. diplomatic personnel have not yet been able to confirm the report.

Need for relentless congressional monitoring of Romanian emigration

Though we now have written Romanian assurances, past and current experience makes it clear that Congressional legislators, particularly the trade subcommittees and the Helsinki Commission, chaired by Rep. Dante Fascell and Senator Bob Dole, must assist in relentless monitoring of the situation.

Tel Aviv and Bonn have shown even more reluctance than Washington to reveal "arrangements" made with Bucharest.

Increased Romanian emigration to Israel does not match numbers wanting to leave

The 1982 increase of Romanian arrivals in Israel, 1515, compared with 973 in 1981, can be attributed to our work with the White House and Congress, but should not be a cause for self-congratulation, as our calculations indicate that at any one time some 2500 Jews are registered to leave. These registrants do not include those who have 1) not gotten beyond the pre-application process 2) have been turned away in their attempts to register at the police station 3) are afraid to apply at all for fear of the consequences. If the fear were removed, Jewish emigration would quickly accelerate to 4—5000 annually.

New York attorney Ira Kleiman, working on the Romanian Jewish lists of would-be emigrants, has shown as of December 31, 1982, that 1,890 Jews were officially registered for emigration with the Jewish community offices. This total does not include the substantial numbers arriving in Israel who do not register with the Jewish offices. Thus, based on analyses of previous years, if the percentage of these varies between 40-60 percent, we have a 2,500 year total. This lists also reveal a distressing total of 118 registered applicants waiting to leave from a period of years up to and including 1981—40 through 1980, 78 from 1981 (names attached to testimony). Clearly, even the 1982 increase of 50 percent to 1,515 is quite inadequate.

The rate of emigration to Israel in the first six months of 1983 is not promising. Though the first quarter showed an unusual 329, the number of fresh exit permits granted dropped to 180. This is the approximate number of those who arrived in Israel during the second quarter, making a total just over 500 for the first half of the year. This does not meet the assurances we were given that this year's totals might approach the 2,000 mark.

Need for ongoing US—Romanian discussions on fundamental emigration problems

We are finding that with the euphoria created by the suspension (not abolition) of the education tax, the fundamental emigration problems tend to be forgotten. What about the heavy backlogs? What about those individuals selected for endless years of waiting and suffering? What about the frequent difficulties of obtaining application forms? The lengthy and/or arbitrary delays and harassments as part of the emigration process?

These troubles may have diminished somewhat at this time of MFN review, but have US officials been able yet to affect fundamental chances in terms of simplified and accelerated emigration processes? We request the committee to recommend to the Administration persistence in its attempts to set up a high-level mechanism for ongoing bilateral discussions, covering the areas dealt with by my 10-point program enunciated during the past two years and reported in earlier hearings.

1980 refugee action: East European immigration quotas halved

As a result of the huge illegal immigration over US borders, Congress passed the 1980 Refugee Act. This eventually resulted in the halving of the regular immigration quotas from East Europe, and a paradoxical situation has arisen. While fighting for the application of Jackson-Vanik in regard to Soviet bloc countries, over 1,000 Romanians who finally managed to obtain exit visas are stranded in that country under difficult circumstances. On August 26, 1982, the US embassy in Bucharest refused to open any more immigration files. It is reported that 8,000-9,000 Romanians are registered for admission to Third Country Programs (TCP) for refugee status. While Rep. Mazzoli's Immigration and Refugee Subcommittee has followed a hard line, other Congressional pressures have helped to alleviate the situation, and US government officials have resorted to the expedient of shifting numbers from unfilled quotas, such as the Soviets, to the Romanian. We welcome this reassertion of American humanitarian will.

Jackson-Vanik and other forms of congressional economic leverage

The Jackson-Vanik "freedom of emigration" Amendment has stood for almost a decade as the legislative embodiment of a noble American commitment to give practical form to the great ideal of a haven of refuge. Responding to a recent inquiry, Secretary of State Shultz indicated in June that he had changed his mind on the importance of Jackson-Vanik because it had worked in the case of Romania.

If the Supreme Court's decision striking down Congress' veto power over Presidential determinations appears to have diminished Congressional leverage with Bucharest, we will find ways of restoring some of that leverage. Congressional banking and agricultural committees, with their oversight of Ex-Im Bank and CCC credits, provide good potential for this. I well remember the period before Jackson-Vanik and the very limited effectiveness of pious resolutions deploring human rights infractions because they did not have the support of economic and technological sanctions.

Repay those who paid the education tax

One unfortunate byproduct of the education repayment tax has been the financial burden imposed on the US relatives of prospective Romanian emigrants who were panicked into making lifetime loan commitments in order to pay the decreed tax. An elderly Connecticut couple borrowed $40,000 for their daughter and son-in-law. The number of these people is small, and the total amount they paid may be well under $100,000. We request the committee to call on the Romanian Government to repay these people.

Amnesty for the Vatra-Dornei four: Ending 30 years of suffering

Finally, this committee has the unique opportunity to help resolve the tragedies of four old men and their families, relentlessly penalized over a period of 29½ years. During the early 1950s, there was a series of anti-Jewish trials throughout the Soviet bloc. In January 1954, a group of Jewish employees of a Soviet-Romanian enterprise, the Sov-Rom Wood Corporation in Vatra-Dornei, were seized on charges of allegedly misappropriating a quantity of wood worth several hundred dollars in real terms. After serving long sentences at hard labor, huge "damage to the state" fines were imposed which they have to pay for the rest of their lives. Without an official state amnesty, they cannot join their children and grandchildren abroad.

During the early 1960s, another round of anti-Jewish trials in Romania (again part of a wave in the Soviet bloc) resulted in similar convictions of more important officials of Jewish origin. During the 1978 and 1980 summer hearings on Romanian MFN, Bucharest was prevailed upon by Congressional and Administration pressures to grant amnesties to 18 of these officials and formally clear the way for their emigration.

The four elderly, ailing survivors of the Sov-Rom trial of Vatra-Dornei can be amnestied in the same way. They are:

Isaac Bleichner of Vatra-Dornei, Natan Fleischer of Bacau, Samuel Feiden of Vatra-Dornei and Herman Rubinger of Bucharest.

We look forward to forceful, humanitarian representations to Bucharest, hopefully resolving once and for all three long decades of their suffering.

APPENDIX A

Romanian Decree on Emigrants Reimbursing State

[Text] Decree of the State Council of the Socialist Republic of Romania on obligations of persons requesting and being granted permission to emigrate to pay in full their debts to the state, socialist organizations and private persons and to repay certain state education costs:

Within the overall party-state policy of continuously raising all the people's living standard, important funds are earmarked for free education in all grades, free medical care and a broad system of social insurance and assistance for all the fatherland's citizens.

To cover these expenses—in keeping with principles of socialist ethics and equity—those persons who leave the country for good shall compensate society for material efforts invested in their education and specialized and advanced studies, and for other services available to them until their departure from the country.

In this respect, the State Council of the Socialist Republic of Romania decrees:

Article 1. Persons requesting and being granted permission to emigrate are required to pay in full their debts to the state, socialist units and other organizations.

They are also required to remit in full maintenance payments and other debts to private persons.

Article 2. Persons who have been granted permission to emigrate are *required* to repay the Romanian state, in hard currency, the expenses incurred in their education and in specialized and advanced studies, including scholarships, as well as in high schools, higher education institutes and postgraduate and doctorate courses.

The amounts due will be established by applying the fees envisaged by law for foreigners studying at their own expense in the Socialist Republic of Romania.

The provisions of the current decree do not apply to persons who, at the date of the approval of their application for final departure, meet the age stipulations envisaged by law for receiving work pensions or old age pensions.

Article 3. Payment of debts to the state, socialist units and other organizations and of maintenance pensions and other debts to private persons as well as repayment of expenses for education, and specialized and advanced studies shall be made after the application to emigrate has been approved and before the passport has been issued.

Article 4. From the date of approval of their emigration application until their actual departure, the persons envisaged in Article 1 shall pay in hard currency all medical expenses, taxes and tariffs for tourist services; and any other taxes and tariffs paid, according to the provisions of the law, by foreigners who do not reside in the Socialist Republic of Romania.

Article 5. Buildings and land belonging to emigrating persons shall pass into state ownership, according to the provisions of the law.

Article 6. Assets that are part of the national heritage that belong to persons whose emigration application has been approved shall be compulsorily sold to the state at a price established by the Central State Commission for the National Cultural Heritage.

Article 7. In the case of persons who left the country illegally or who failed to return home on expiry of the deadline for their stay abroad, the repayment of expenses for their education and specialized and advanced studies shall be gained by legal means, by suing against their assets and other rights either at home or abroad, until the debt has been paid back in full.

Article 8. Repayment of expenses, including scholarships, as well as payment of the taxes and tariffs envisaged in Articles 2 and 4 shall be made in hard currency, by bank transfers or directly in hard currency and checks.

[Signed] Nicolae Ceausescu, president of the Socialist Republic of Romania, in "Scinteia" November 6, 1982.

#1-0570

CBT THE CONNECTICUT BANK AND TRUST COMPANY, N.A.
Cos Cob Office Br. 166

RECEIPT

NON-NEGOTIABLE

TO: Corneliu or Nineta Ionescu
31 A. Putnam Green
Greenwich, Ct. 06830

DATE March 18, 1983

No. IT 36824

SUBJECT TO THE CONDITIONS LISTED BELOW WE CONFIRM HAVING SOLD TO YOU THE TRANSFER DESCRIBED BELOW:

TO BE PAID TO: Romanian Bank for Foreign Trade, Str. Calea Victoriei No. 22-24
Bucharest, Romania
For Credit to: Obrea Andrei Str. Caramidarii de Jos No. 3, Bloc 75,
ione: 750690 Scara C, Ap. 110, Sector 4, Bucharest, Romania

THE AMOUNT OF: Nineteen Thousand Five Hundred U.S. Dollar's and no/100

[✓ CABLE]

SPECIAL INSTRUCTIONS: Pentru plecarea definitiva din tara pentru achitarea cheltuelilor de scolarizare si alte cheltueli.
(To pay for the education tax and other expenses for Obrea Andrei ~~to emigrate from Romania)~~

***CONFIRM RECEIPT OF FUNDS

FOREIGN AMOUNT	RATE	DOLLARS	COMM.	POST/CABLE	TOTAL
		19,500.00	10.00	10.00	$19,520.00

THE ABOVE TOTAL RECEIVED BY ☒ CHARGE TO YOUR ACCOUNT, ☐ CHECK/CASH

7-50357-5

Yours very truly,

Nineta Ionescu
Corneliu Ionescu
CUSTOMERS SIGNATURE REQUESTING TRANSFER

AUTHORIZED SIGNATURE

In making the payment described above, the Connecticut Bank and Trust Company, N.A. acts at the cost and risk of the client. The Bank shall not become liable in any way to the payee. The Bank is free to make use of any correspondent, sub-agent or other agency: neither the Bank nor any of its correspondents is in any case to be liable for interruptions, omissions or delays occurring in the mails or due to errors or acts or omissions of any telegraph, cable or wireless company or due to any other cause beyond the control of the Bank. All said risks being expressly assumed by the Client. In the case payment is not effected due to causes beyond the control of the Bank and refund is made, the Bank shall not be required to refund at a higher rate of exchange than the market value of such exchange in Hartford, Connecticut at the time such refund is made.

Receipt for Romanian Education taxes paid by U.S. relatives of Romanian prospective emigrants

#1-0870

CBT THE CONNECTICUT BANK AND TRUST COMPANY, N.A.
Cos Cob Office Br. 166

RECEIPT

NON-NEGOTIABLE

TO: Corneliu or Nineta Ionescu
31 A Putnam Green
Greenwich, Ct. 06930

DATE March 18, 1983

No. IT 36825

SUBJECT TO THE CONDITIONS LISTED BELOW WE CONFIRM HAVING SOLD TO YOU THE TRANSFER DESCRIBED BELOW:

TO BE PAID TO: Romanian Bank For Foreign Trade, Bucharest, Romania
Str. Calea Victoriei No. 22-24

For Credit To: Obrea Liana
Str. Caramidarii de Jos No. 3, Bloc 75,
Scara C, Ap. 110, Sector 4, Bucharest
Romania

Phone No. 750690

THE AMOUNT OF: Nineteen Thousand Five Hundred U. S. Dollars and n0/100

[redacted] [✓ CABLE]

SPECIAL INSTRUCTIONS: Pentru plecarea definitiva din tara pentru achitarea cheltuelilor de scolarizare si alte cheltuieli.

(To pay for the education tax and other expenses for Obrea Liana and child to emigrate from Romania)

**CONFIRM RECEIPT OF FUNDS

FOREIGN AMOUNT	RATE	DOLLARS	COMM.	POST/CABLE	TOTAL
		19,500.00	10.00	10.00	$19,520.00

THE ABOVE TOTAL RECEIVED BY

☒ CHARGE TO YOUR ACCOUNT. 7-50357-5

☐ CHECK/CASH

Nineta Ionescu.

Corneliu Ionescu

CUSTOMERS SIGNATURE REQUESTING TRANSFER

Yours very truly,

AUTHORIZED SIGNATURE

In making the payment described above, the Connecticut Bank and Trust Company, N.A. acts at the cost and risk of the client. The Bank shall not become liable in any way to the payee. The Bank is free to make use of any correspondent, sub-agent or other agency; neither the Bank nor any of its correspondents is in any case to be liable for interruptions, omissions or delays occurring in the mails or due to errors or acts or omissions of any telegraph, cable or wireless company or due to any other cause beyond the control of the Bank. All said risks being expressly assumed by the Client. In the case payment is not effected due to causes beyond the control of the Bank and refund is made, the Bank shall not be required to refund at a higher rate of exchange than the market value of such exchange in Hartford, Connecticut at the time such refund is made.

THOMAS J. DOWNEY
3rd District, New York

303 Cannon House Office Building
Telephone: (202) 225-3335

District Office:
4 Udall Road
West Islip, New York 11795
Telephone: (516) 661-8777

Congress of the United States
House of Representatives
Washington, D.C. 20515

COMMITTEE ON
WAYS AND MEANS
SUBCOMMITTEE ON TRADE
COMMITTEE ON THE BUDGET
SELECT COMMITTEE ON AGING

July 11, 1983

PRECEDENTS -
SIMILAR AMNESTIES
DURING SUMMER
HEARINGS OF
1980 + 1982

Ambassador Mircea Malitza
Embassy of the Socialist Republic of Romania
1607 23rd Street, N.W.
Washington, D.C. 20008

Dear Mr. Ambassador:

We are writing to request your cooperation in four particularly urgent emigration cases.

Nearly thirty years ago, Isaac Bleichner, Natan Fleischer, Samuel Feiden and Herman Rubinger, employees of the Sov-Rom Wood Corporation, were charged with the misappropriation of several hundred dollars' worth of wood. Now elderly and ailing, they seek to rejoin their children and grandchildren abroad.

A Romanian government amnesty for these individuals, and their subsequent emigration, would be crucial signs of your nation's commitment to the family reunification and emigration provisions of the Helsinki Accords.

We would greatly appreciate your prompt and personal attention to these four cases, and look forward to your reply.

Mostly members of the House Trade Subcommittee

Sincerely,

THOMAS J. DOWNEY
Member of Congress

Ed Jenkins
ED JENKINS
Member of Congress

Kent Hance
KENT HANCE
Member of Congress

Marty Russo
MARTY RUSSO
Member of Congress

Dick Schulze
RICHARD T. SCHULZE
Member of Congress

Norman F. Lent
NORMAN LENT
Member of Congress

CHARLES B. RANGEL
Member of Congress

118 LONG-WAITING REGISTRANTS FOR EMIGRATION

Known Applications Pending Since Before 1978 - Bacau

Name	Address	No. Pers.
Visochi Raia	Baniei 8A	1
Known Applications Pending Since 1979 - Bucharest		
Ionita Viorel	Drumul Mic intre vii nr. 21	2
Riegler Israelo	Pantelimon 332	2
Wasserman Italia	Al. Mozaicului 3	1
Provinces - Iasi		
Strulovici Marcel	Butnari 4	1
	Simeria	
Lacatusu Lidia	Biscanie 132	5
	Timisoara	
Freiberger Petru	Treboniul Laurian	1
Neumann Pavel	Budai Deleanu 14	1
Redlich Ladislau	Mures 4	2
Vajda Ivan	A. Seiller 3	3
	Turda	
Kopolovics Dallie	Avram Iancu 30	1
Known Applications Pending Since 1980 - Bucharest		
Benedek Pavel	Sos. Colentina 9	4
Filenberg Pessis	Bufroaina Pupescu 54	1
Finkelstein Gustav	Italiana 6A	2
Nicolae Ina	Lotriora 17	2
Pintel Millo	Al. Timsul de Jos. 3	1
Stoica Alexandru	Str. Bis Marcuta 1	2
Provinces - Bistrita		
Gheorghiu V. Isac	Armata Rosie 104	3
	Botosani	
Wagner Ruhla	Carcubeului 4	1
	Timisoara	
Stern Ivan Gavril	1 Decembrie 1918 nr. 133	4
Known Applications Pending Since 1981 - Bucharest		
Astman Jean	Barajul Dunarii 2	3
Bercovici Moise	Str. Litovoi Voievod 21	1
Buruiana Gabriel	Str. Rahmaninov 11	2
Goldenblum Simon	Str. Anton Pan 54	1
Iosifescu Ioseph	Hristo Botev 44	2
Kisner Leia	Visarion 8	1
Ligi Sorin	Al. Niculitei 4	3
Marcu Victor	Cal. Victoriei 214	2
Margineanu Alex.	Al. Arinis 2	5
Mayer Felix	Cal. 13 Septembrie 137A	1
Negrescu Teodor	Pescarus 112	2
Pelinescu Sami	Bd. Gh. Gheorghiu Dej 43	2
Serban Marcelica	Sos. Pantelimon 359	3
Schweitzer Ana	St. O. Iosif 13	1
Sfart Avram	" " "	4
Stefan Miron	Bd. Gh. Gheorghiu Dej 101	3
Teszler Riza	Lantului 1	1
Waissman Silvia Olga	Prevederii 9	1

Known Applications Pending Since 1981 - The Provinces

	Bacau	
Cojocaru Stelian	Cornisa I Bistrita 24	1
	Botosani	
Saracutu Iacob	Teatrului 9	1
	Brasov	
Florescu Dumitru	Neptun 6	2
Iancu A.Avram	Proletarilor Bl. 16	1
	Dorohoi	
Leib David	6 Martie 8	2
	Galati	
Moscovici Roza	Unirii 32 Tecuci	1
	Judetul Mures	
Varlam W. Maximilian	Nades 142	2
Waadt Renate	Sighisoara, St. Plopilor 25	3
	Lugoj	
DeutelBaum Ignatz	Nera Bl. 35	2
Iager Eizic	Cuza Voda 10	2
	Oradea	
Goldhammer Alexandru	St. Presului 12 - Salonta	1
	Resita	
Weisz Petru	Al. Daliilor 1	3
	Satu Mare	
Szabo Ana	Com. Urziceni 388	3
	Timisoara	
Bagarean Stela	Intr. Doinei 3	1
Bagarean Elisabeta	Teiului 4	1
Gandelmann Isidor	Adolescentei 3	1
Milici Emila		1
Schlesinger Rozalia	Aeroport 3	1
Szabo Ernest	Bd. 23 August 13	1
Vaida Ioan	Bd. 23 August 24	2
	Tirgu Mures	
Katz Clara Estera	Secuilor Martiri 76	1
Schwartz Dezideriu	Al. Carpati Bl. 37E	2
	Exact Location Unknown	
Peulas		5

PROPOSED EXPANSION OF JACKSON-VANIK
AMENDMENT

98TH CONGRESS
1ST SESSION

S. 1444

To deny most-favored-nation status to any country that in the judgment of the President denies religious freedom to its citizens.

IN THE SENATE OF THE UNITED STATES

JUNE 9 (legislative day, JUNE 6), 1983

Mr. MELCHER introduced the following bill; which was read twice and referred to the Committee on Finance

---

A BILL

To deny most-favored-nation status to any country that in the judgment of the President denies religious freedom to its citizens.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That to assure the continued dedication of the United States to fundamental human rights, and notwithstanding any other provision of law, on or after January 1, 1984, products from any nonmarket economy country shall not be eligible to receive nondiscriminatory treatment (most-favored-nation treatment); such country shall not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly, or indirectly; and, the President of the United States shall not conclude any commercial agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) denies its citizens, either directly or indirectly, religious freedom in the judgment of the President of the United States: *Provided further,* That if the President in the exercise of his discretion finds that a country is making a bona fide effort to effectuate religious freedom, then he may grant nondiscriminatory treatment to that country.

(2) The President shall make an annual report to the appropriate committees of Congress with reference to any action taken under this Act.

Chairman Gibbons. Thank you, Rabbi Birnbaum.

Our next witness is for the Helsinki Watch, Ms. Jeri Laber.

STATEMENT OF JERI LABER, EXECUTIVE DIRECTOR, U.S. HELSINKI WATCH COMMITTEE

Ms. Laber. Thank you. My name is Jeri Laber, and I am the executive director of the Helsinki Watch Committee. We are a nongovernmental organization dealing with human rights in the Helsinki signatory countries. Our concern is not just with countries of the Warsaw Pact, but all signatory countries to the Helsinki accords.

In June of this year we published a 45-page report on human rights violations in Romania. I would like to submit that report today in addition to my written testimony.

Chairman Gibbons. All right, ma'am, it will be made a part of the record at this point.

[The information referred to follows:]

ROMANIA: HUMAN RIGHTS IN A "MOST FAVORED NATION"—A REPORT BY THE U.S. HELSINKI WATCH COMMITTEE

The U.S. Helsinki Watch Committee was established in 1979 to monitor domestic and international compliance with the human rights provisions of the 1975 Helsinki Final Act. Its Chairman is Robert L. Bernstein; its Vice Chairmen are Orville H. Schell and Aryeh Neier; its Executive Director is Jeri Laber.

1983 U.S. Helsinki Watch Committee. All rights reserved. Printed in the United States of America. Copies of this report are available at $5.00 each.

ACKNOWLEDGMENTS

This report was prepared by Catherine Fitzpatrick, a member of the staff of Helsinki Watch.

The assistance of the J. Roderick MacArthur Foundation in publishing this report is gratefully acknowledged.

We are grateful to the following organizations and individuals for materials used in the preparation of this report:

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PREFACE

(NOTE.—This Preface is adapted from an article that appeared in the Los Angeles Times on December 15, 1982.)

I was invited to Romania in October to attend a conference on "The Future of the Helsinki Process." The conference, sponsored by an independent, New York-based institute, included as participants government officials and prominent scholars from Eastern Europe, Western Europe, the United States and Canada.

To underline the importance that the government attached to the event, an invitation was extended to all participants to meet with President Nicolae Ceausescu on the morning after the conference ended. Unfortunately, a tight traveling schedule made it impossible for me to extend my stay and attend that meeting.

Instead I left with several other participants on October 10, 1982. We were chauffeured to the airport, where we were met by several helpful and deferential aides who ushered us into am official visitors' lounge. There we were offered coffee and comfortable chairs in which to wait while they took care of the exit formalities. Our spirits were high, as is often the case with Westerners about the pass through the Iron Curtain to more congenial capitals in the West.

Suddenly, one of the aides reappeared and asked me to accompany him; supposedly there was a message for me. I was led into the office of the chief militia officer, a heavyset man in a brown uniform who rose behind his desk when I entered. With both of us standing, he proceeded to conduct a 10-minute interview with me, using the services of a slight, thin-voiced young interpreter who stood at his side.

"You entered Romania on October 5 as a tourist, several days before the conference at Lake Snagov."

"I did."

"We have received reports from Romanian citizens that while you were in Bucharest you saw people and broke our laws."

"I was not aware that it was against the law to speak with Romanian citizens."

"It is if you discuss the sort of problems you discussed with them."

Not knowing his intentions, I was not about to initiate a protracted dialog. Thus, I refrained from asking exactly how he knew the substance of my discussions with Romanian friends. Instead, I stood and listened as he explained, a cold smile on his face, that if I were to come back to Romanian to talk to "discontented people about problems," I would not be welcome in his country.

I thought about my "contacts" in Romania—a handful of people, friends of friends, whose names I had hastily assembled before my departure. Because of my interest in human rights, it is not surprising that my Romanian friends in the West would direct me to people with similar concerns in Romania.

Despite warnings to me before I left that I would be followed in Romania ("all foreigners are"), that my phone conversations would be tapped ("all telephones are"), and that people would be too frightened to talk to me ("each Romanian citizen must report every contact with a foreigner within 24 hours"), and also despite an obvious display of police force throughout the city, I was not aware of being followed. As a participant in a conference at which human rights would be a major topic, I had assumed that placing restrictions on my freedom would be counterproductive. Indeed, numerous references by the militia officer to my attendance at the conference led me to believe that, had I not been a conference participant, I would have been subjected to much rougher treatment.

Instead, we stood facing each other across the desk while I wondered about the real purpose of the interview. Then the message was delivered: "The people with whom you visited have brought their problems on themselves," I was told. "But if you choose to discuss their problems when you return to New York, they will have more problems."

Well, Mr. Militia Man (whose name I did not have the composure to ask), your program of intimidation has worked. I am not writing about the pathetically few visits that I was able to arrange in Bucharest, from which I learned nothing that hasn't already been well documented in the West. Instead, I am writing about my meeting with you. It reveals more about the state of free expression in Romania than any report that I might have written about my conversations with your countrymen.--Jeri Laber, Executive Director, U.S. Helsinki Watch Committee.

I. Introduction

Romania is the only Warsaw Pact country that has taken foreign policy positions that diverge from official Soviet dictates. The first Eastern bloc country to establish diplomatic ties with Western Germany in the 1960s, Romania has departed from Soviet policies in maintaining close relations with China after the Soviet-Chinese rift and with Israel after the 1967 war. Romania has taken issue with the Soviet Union on the invasions of Czechoslovakia and Afghanistan, the imposition of martial law in Poland, and the continued deployment of SS20 medium-range nuclear missiles in the USSR.

In an effort to encourage Romania's independence from Soviet othodoxy, the United States has given Romania substantial trade benefits under the most-favored-nation tariff status (MFN) which Romania has enjoyed since 1975 and which ensures that tariffs on goods imported from Romania are not higher than those on imports from Western trading partners.

Section 402 of the Jackson-Vanik Amendment to the 1974 Trade Act, however, links the continuation of the preferential tariff policies of MFN directly to the maintenance of the humanitarian emigration policy. Because of this, Romania's repressive emigration practices have been increasingly called into question during the annual MFN hearings in the U.S. Congress, and the continuation of Romania's MFN status has become more and more unjustifiable. Whenever MFN has come up for renewal, the Romanian government has made some timely but token gestures by releasing some political prisoners or resolving certain family reunification problems. On the whole, however, Romania's internal policies have deteriorated to the point where Romania is now one of the worst human rights offenders in Eastern Europe.

Although Romania's restrictive and punitive emigration policies have been the focus of considerable attention in the United States in recent years, abuses of the right to emigrate should not draw attention away from some of the conditions that make people want to emigrate in the first place. Thus, in addition to discussing Romania's emigration policies, this report also deals with other areas of human rights in Romania—political prisoners, freedom of expression, workers' rights, religious freedom and minority rights—as well as threats to Romanian emigres abroad. Abuses in each of these areas contribute to a generally deplorable human rights situation in Romania at the present time.

This report has been prepared in connection with President Reagan's June 3, 1983, recommendation that MFN should be extended to Romania for another year. It sets forth the facts of human rights abuse in Romania with the hope and expectation that members of the U.S. Congress will use their considerable leverage with Romania during Congressional Hearings on MFN to help bring about significant improvements in the Romanian government's treatment of its citizens.

II. Romania and Most-Favored-Nation status—Background

Romania was granted most-favored-nation tariff status (MFN) by the United States in 1975. Romania and Hungary are presently the only Warsaw Pact nations that have this special status which means in essence that tariffs on imports from Romania and Hungary are the same as tariffs imposed on goods imported from our Western friends.

In 1981 the United States imported about $550 million worth of Romanian goods and sold Romania about $503 million in products under MFN trade tariffs. Trade for the next fiscal year may reach $600 million. Romania stands to lose about $250 million if MFN is revoked, a loss of hard currency that it can ill afford at a time when it already owes about $10.5 billion to Western creditors.

Section 402 of the Jackson-Vanik Amendment to the 1974 Trade Act directly links the preferential tariff policies of MFN to the emigration policies of the recipient country. The amendment was introduced in 1974 in a successful effort to prevent enforcement of a Soviet education tax. According to this amendment, counties that prevent emigration or tax their emigrants more than a "nominal sum" do not qualify for MFN.

Romania's MFN status is renewed annually. Each year, 30 days before the expiration of MFN, the President must certify to Congress that Romania is practicing a humanitarian emigration policy in order for MFN to continue. Congress may veto the President's recommendation for MFN by House Resolution. If the President recommends against MFN, Congress would have to enact special legislation to grant the status. In previous years the President and Congress have agreed that despite Romania's poor emigration practices, continuation of MFN best serves humanitarian objectives in Romania and they have voted to waive the Jackson-Vanik stipulation.

Although the Jackson-Vanik Amendment refers specifically to a country's emigration practices, the spirit of the amendment has been interpreted to include the human rights situation as a whole. The Congressional hearings for Romania have become a forum in which Romania's human rights regard is reviewed. Eager to see MFN continue, Romania has made concessions with regard to human rights during MFN review periods. Indeed, a pattern has developed in which Romania makes small human rights improvements during the MFN review period and then, after MFN is renewed; lapses back into its previous disregard for human rights and for any assurances it may have made to the U.S. government.

In June 1982, prior to last year's MFN review, President Reagan informed Congress that unless the Romanian government allowed a significant increase in emigration, it would be in serious danger of losing MFN. This was the strongest high-level U.S. criticism of Romania since MFN was granted in 1975. Nevertheless President Reagan, after weighing humanitarian concerns "within the context of the satisfactory state of overall U.S.-Romanian relations" recommended that MFN be renewed for another year.

MFN hearings were held in the House of Representatives by the Subcommittee on Trade on July 12–13, 1982. Senate hearings were held by the Subcommittee on International Trade on August 10, 1982. During these hearings, Members of Congress and of nongovernmental human rights organizations criticized Romania's emigration and human rights records and called for credible assurances that Romania would improve its practices.

During the interim between the House and Senate hearings, Romania took several hasty measures to demonstrate human rights concerns. Levels of monthly emigration from Romania were raised and a number of outstanding cases of interest to Members of Congress were resolved. Eleven political prisoners who had been imprisoned for smuggling Bibles received amnesties. Romanian officials agreed to meet with U.S. government officials and representatives of American Jewish organizations to discuss ways of improving emigration practices.[1]

At the August 10, 1982, Senate hearing, Senator Dole noted that the improvement in processing emigration applications stemmed from the Romanian government's concern about losing MFN and that violations of religious and minority rights continued unabated. Nevertheless, the U.S. Congress recessed in mid-August without disapproving Romania's MFN status, thereby affirming President Reagan's June 2 recommendation that MFN be renewed for another one-year period.

It subsequently became known that just ten days before the House MFN hearings, 12 Romanian men were tried in camera for submitting a collective petition to emigrate. All 12 were convicted of "associating for the purpose of committing an offense of the disturbance of the public peace" and sentenced to three years of imprisonment. They appealed, but on September 21, 1982, after MFN was extended, the sentences were confirmed. Some of the men were reportedly amnestied in December 1982, but several are still in prison.

In the fall of 1982 it was rumored that the Romanians were planning to impose an education tax on emigrants. Elliott Abrams, U.S. Assistant Secretary of State for Human Rights and Humanitarian Affairs, met with a Romanian deputy foreign minister in Bucharest in October 1982 and stated that Congress would withdraw MFN if an emigration tax went into effect. He was assured by Romanian officials that there would be no tax. The substance of these discussions was revealed to the U.S. press, perhaps in an effort to ensure that the Romanians kept their promise.

The Romanian government's November 1, 1982, announcement of an emigration tax came as a surprise to the U.S. government, especially after the assurances that had been made to Mr. Abrams. President Reagan urged President Ceausescu to rescind the tax and during the next several months a number of high-level talks on the subject were held in Washington and Bucharest. But the Romanian government was adamant about implementing the tax.

On March 4, 1983, President Reagan expressed his concern that the Romanian government was implementing an education tax which "conflicts with the letter and the spirit of Section 402 of the Trade Act of 1974 which is intended to remove barriers to freedom of emigration." The President declared his intention to terminate

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Footnotes at the end of article.

Romania's MFN status and other benefits as of June 30, 1983, if the education decree remained in force on that date.

On May 18, 1983, after another series of high-level meetings, Romania informed the United States that it intends to stop imposing the education tax. On June 3, 1983, President Reagan announced that MFN would be renewed for Romania for another year because of assurances he had received from President Ceausescu about dropping the education tax.

Past experience has made it difficult to trust the Romanian government's promises. Moreover, by agreeing not to enforce the education tax, the Romanian government apparently seeks to draw attention away from emigration and other human rights violations which had endangered MFN long before the education tax became an issue.

III. Emigration

The Romanian government does not recognize the right of citizens to leave and return freely to their homeland as guaranteed by the Helsinki Final Act and the U.N. Declaration of Human Rights. The only official purpose for which emigration is allowed by the Romanian goverment is family reunification. Thus most Romanians who are permitted to emigrate have relatives in Western Germany, the United States or Israel.

Procedures for emigration from Romania are plagued with lengthy, bureaucratic delays and arbitrariness. Romanian citizens who apply to emigrate to the West are subjected to extensive harassment and treated like foreigners in their own country. Romania's introduction of an education repayment decree last year has effectively prevented educated persons from applying to emigrate. These problems have been compounded for those seeking to come to the United States because U.S. immigration law has fixed a quota for Romanians that is far below the number of applicants.

a. Applicants for emigration

Despite Romania's restrictive emigration procedures, substantial numbers of Romanians have been allowed to depart for the West in recent years. Since 1972, the number of emigrants has more than doubled, reaching about 18,000 in 1982. This is currently the highest emigration figure for any East European country, yet it is believed to represent only a small proportion of Romanian citizens who wish to emigrate. Widespread discontent with economic and civil rights conditions in Romania has led to Romania's high emigration figures, rather than a "liberal" policy on the part of the authorities.

There is no complete list of Romanian citizens who want to emigrate or have been refused permission to leave Romania, although the Romanian Rabbi Moses Rosen and various American Jewish organizations do have comprehensive lists of Romanian Jews who wish to emigrate to Israel. The American Embassy in Bucharest estimates that about 9,000 Romanians have applied to emigrate to the United States but have not received permission from Romania.[2]

Ethnic Germans, with a population of roughly 348,000, make up the second largest minority in Romania, after the Hungarians. In 1978, Romania made an agreement with West Germany not to allow the annual level of emigration for ethnic Germans to drop below 11,000, the total for 1977. In 1982, approximately 12,000 ethnic Germans emigrated to West Germany, the same number as for 1981.

Approximately 2,450 Romanians of various ethnic backgrounds emigrated to the United States in 1982, as compared to 2,350 in 1981.

Jews leaving for Israel make up roughly 10 percent of all those emigrating from Romania. In 1982, 1,600 Romanian Jews left for Israel, in comparison with 1,200 in 1981, and 800 in 1980. Although the totals of Jewish emigration have been increasing in recent years, yearly totals have dropped from a high of 4,000 in the 1970s. This may be explained by the fact that the Jewish population is declining in Romania. At the end of World War II, there were 450,000 Jews in Romania; today 32,000 remain, and some 350,000 Romanian Jews are living in Israel.

b. Education repayment decree

On November 1, 1982, the Romanian government decreed that an education tax would be levied on all prospective emigrants. The decree provides that all citizens under retirement age wishing to emigrate must repay the state—in hard currency and at the rate of about $2,500 per year—for the cost of their education beyond the compulsory 10 years. The fee may range from several thousand dollars for the equivalent of a high-school education to $40,000 for a medical degree. According to the decree, "the sums shall be established by the application of rates laid down by law for foreigners who themselves pay for their studies in the Romanian Socialist Republic."

Unlike the 1973 Soviet emigration tax decree, the Romanian tax must be paid in hard currency—Soviet citizens paid in rubles—and it is far higher.

The decree also provides that the property of emigrants will be confiscated or subject to compulsory sale to the state at prices fixed by the state. From the date an individual received permission to leave Romania to the actual date of his departure, he must pay all taxes and medical expenses in hard currency, as if he were a foreigner.

According to the decree, repayment for education and other goods and services must be made after permission to emigrate has been granted, but before delivery of the passport. This leaves room for bureaucratic delays. Anyone trying to evade these regulations by leaving illegally or by failing to return from a trip abroad will be sued, either in Romania or abroad, until his debt to the state is paid.

Romania's lei is not convertible, and according to Romanian law, it is a crime for private citizens to hold foreign currency. Accordingly, the education tax effectively prevents most citizens from emigrating, except for the few emigrants who have wealthy relatives abroad.

Although the Romanian government presented the decree as a matter of "ethical principle" that emigres should "reimburse society for the material efforts expended," there is reason to believe that the Romanian government's motives were more complicated. A realistic concern with the "brain drain" resulting from emigration was revealed in Romania's initiative in proposing a resolution by the Group of 77 to the U.N. General Assembly concerning financial compensation for the "exodus of educated persons from the developing countries." Meeting this concern is a complicated matter which, in the case of Romania, might have to include mitigating the political and economic conditions that make emigration desirable. Instead of confronting the complex questions, the regime attempts only to discourage the huge number of prospective educated Romanian emigrants or, as an alternative, seeks to be compensated for their emigration with much-needed foreign currency.

It may also be that President Ceausescu had in mind the possibility of using the education tax as a bargaining chip, something that could be repealed or not enforced as a sign of "good will" when most-favored-nation status came up for renewal. And indeed, on May 18, 1983, Romania informed the U.S. that to a void losing its tariff status, it intended to stop imposing the tax on prospective emigrants.

Before May, however, according to the U.S. State Department, at least two dozen cases were reported concerning enforcement of the tax. The Paris-based League for Defense of Human Rights in Romania has also reported a number of cases in which the education decree was enforced, including the following:

Sergiu Eretescu (str. Drumul Taberei 83, Bucharest), brother of C. Eretescu of Providence, R.I., USA, was advised in February 1983 to pay a sum of $18,000 to emigrate.

Dr. Elena Petronela Neagoe and her son Calin Petru Neagoe (Piata Victoriei 9, Cluj Napoca), wife of Dr. Aurel Neahoe of Dusseldorf, West Germany, received permission to emigrate in August 1982 but in March 1983 the authorities refused to deliver their passports and demanded payment of $23,000.

Ana Roata and her son Toma Roata, wife of Toma Roata of Brussels, Belgium, have been assessed $5,000.

Cornelia Takacs Koppandi, her husband Stefan and son Pavel (Hipodrom III, bl. 48, Sibiu), sister of Ileana Stefanescu of Paris, France, assessed $15,000.

A group of 67 Banat Swabians (ethnic Germans) addressed an appeal to the U.S. Congress and the Madrid Conference, stating that they wish to emigrate to West Germany and are being asked to pay up to 10,000 DM—even for uneducated persons—in order to emigrate.

c. Reprisals against applicants for emigration

The education tax is only one of the many obstacles the Romanian government has set up for would-be emigrants. The Romanian government has also reneged on a 1982 promise to the U.S. Administration that all applications would be processed in six to nine months, that delays would be eliminated between receipt of permission and actual departure, and that prospective emigrants would no longer be harassed.

Throughout 1982 and the first quarter of 1983, considerable delays continued in the porcessing of emigration applications. Those who applied to leave Romania were frequently deprived of their jobs or places in schools, denied food coupons, and forced to pay for medical expenses in hard currency. Some were evicted from their homes, their household goods confiscated without compensation. Some individuals were jailed for publicly protesting refusal or delay of permission to emigrate. There have also been reports that individuals have been prevented from contacting the American Embassy in Bucharest to obtain assistance in emigrating. For example, in both July 1981 and June 1982, Gheorghe Brosoveanu and his wife were seized by the police as they approached the American Embassy where they had been invited to discuss their applications to emigrate; they were arrested, held for half a day, and told that the police would prevent any future attempts to visit the U.S. Embassy.

Since the Romanian government signed the Helsinki Final Act in 1975, Romanian citizens and their relatives abroad have increasingly turned to the U.S. Congress, the State Department, and private human rights organizations with pleas for help in gaining emigration permission. In 1982, the New York-based International League for Human Rights presented to a Congressional subcommittee documentation concerning the cases of 275 families, including 43 considered "hardship" cases. Nine of these families had been attempting to emigrate for more than 15 years. Just before the League testified at MFN Congressional hearings in August, 1982, the Romanian authorities reported that approval of departure had been granted for 15 families on the League's list, including several long-standing hardship cases. After the Congressional hearings, the Romanian authorities granted emigration permission to several more hardship cases that had been featured in the League's report. Nevertheless, since last August, the League has received approximately 200 new cases; many of the 275 cases presented before are still unresolved.

The League has documented many instances of red tape and harassment affecting those who apply to emigrate from Romania. A small sampling would include:

Authorities sometimes refuse even to issue emigration applications or deliberately misdirect applicants from one office to the next or even from one city to the next;

Blank pieces of paper are sometimes used as application forms, and if these are lost, the applicant has no way of proving that he ever submitted an application;

A single misspelling has been used as a pretext to force an applicant to begin the entire cumbersome procedure over again;

The persecution of emigration applicants has resulted in separation of families even within Romania: some applicants have been transferred to jobs 100–250 kilometers from their homes. Families are split because not all members can find work in the new location or the entire family cannot find housing together, and single parents are forced to leave their children behind;

Children are denied entrance to school after their parents apply to emigrate. Degrees have been withheld from students who have applied to emigrate; and

Applicants frequently are subjected to house searches, police interrogation, surveillance, and even questioning of children by police in one case. Authorities tamper with the telephones and mail of applicants.

At the worst end of the spectrum of repression, persistent applicants are incarcerated in psychiatric hospitals (see also Political Prisoners).

Ioan Sachelarie, professor of literature and language, was committed to a psychiatric hospital and forcibly administered neuroleptic drugs. He was pronounced mentally incompetent and diagnosed as suffering from "emigration fantasies." His case was resolved satisfactorily and he was allowed to emigrate from Romania.

Also of concern are the unresolved cases of former political prisoners and other active dissidents who have suffered repression and have indicated their desire to leave Romania. Romanian authorities are reluctant to allow dissidents to go the West, afraid perhaps that their criticism may attract international attention.

Fibia and Maria Delapeta (Str. Carpinis Nr. 13, Jud. Hunedoara), sisters, aged 28 and 25, members of Romanian Orthodox Church, arrested October 1981 for unauthorized receipt from abroad and distribution of Bibles. Sentenced in December 1981 to five years of prison, but amnestied in July 1982 while MFN review was in progress. They continue to be harassed and seek to leave Romania.

Paul and Pauline Dragu and four children (Str. 8 Martie Nr. 5, Tirgu-Jiu), members of Church of the Brethren. First applied to emigrate to U.S. in 1979; after repeated denials went on hunger strike in January 1982. For this, Paul was sentenced to 6 months on "parasitism" charges; Pauline was sentenced to 4 months but released after 10 days. Still under harassment.

Vasile and Elisabeth Paraschiv (Str. Basarabilor 5, Sc. G. Apt 12, Ploiesti), trade union activists, formerly interned in psychiatric hospitals. Seek exit visas.

Frs. Dumitrescu, Cernat-Emeric, and Negruita, three Romanian Orthodox priests of Lugoj. Denied permission to preach for religious activism; now performing menial labors. Seek exit visas.

d. Problems in entering the United States

An incongruous situation has now arisen in which the United States is urging Romania to facilitate emigration, but is unable to accept all the emigrants under existing U.S. immigration regulations.[3] In the mid-1970's a special Third Country Processing program (TCP) was started for Romania. Under this program, Romanians with exit visas who did not qualify for admission to the U.S. as immigrants were permitted to travel to Rome for processing as "refugees" by the U.S. Immigration and Naturalization Service. At that time there was no limit on refugee admissions to the United States. The 1980 Refugee Act, however, established a quota of 2,300 for Romanian TCP admissions in 1982, and of 1,200 to 1,300 admission for 1983. The American Embassy in Bucharest has reported a backlog of more than 1,000 persons who have received exit documents and are awaiting passage to Rome. An additional 8,000 to 9,000 Romanians are estimated to have applied for the TCP program but have not been issued exit visas by the Romanian government. In order to deal with the backlog of cases, the TCP was suspended in September 1982 and those who applied between January and September 1982 were informed that their admission to the United States could not be guaranteed, and that they may have to wait for as long as two years for processing.

The U.S. government must find a way to eliminate these bureaucratic immigration policies and allow Romanian emigrants to enter the United States. The Senate Foreign Relations Committee has suggested that the backlog of pending TCP cases could be eliminated within two to four years if numbers for Soviet or other refugees whose actual admissions fall far short of authorized admissions are temporarily shifted to the TCP.

IV. Political Prisoners

The number of political prisoners in Romania is not known. Although many of those who are incarcerated are being punished for seeking to leave Romania illegally or for protesting the denial of exit permission, others have been imprisoned because of their religious or human rights activities. There is no due process, and prison conditions are deplorable. Although information is scarce, there is reason to believe that forcible confinement in psychiatric hospitals is frequently used to punish people for the legitimate exercise of their rights.

a. Imprisonment of those seeking to emigrate

It appears that many political prisoners are charged with applying to emigrate, or with publicly protesting denial of exit visas, or with attempting to leave Romania without official authorization, usually after permission to emigrate has been repeatedly delayed or denied. Attempting to cross the border illegally is punishable by six months to three years of prison or corrective labor. An application to emigrate frequently leads to loss of employment, which may be followed by charges of "parasitism" for not being employed—an offense punishable under Decree 153/1970 by up to six months' imprisonment or by compulsory corrective labor.

Some typical cases adopted by Amnesty International during 1982 follow:

Elisabeth Simut, 26, of Dubraveni, arrested in June 1982 while attempting to leave the country without authorization and sentenced to six months' imprisonment. She had repeatedly applied for permission to join her husband in West Germany since 1979 and had been refused.

Ioan Duda, 33, Seventh Day Adventist, of Bucharest, arrested in August 1982 while trying to cross the border, reportedly sentenced to one year in prison.

Gheorghe Sirbu, arrested in November 1980 near the Yugoslav border as he attempted for the third time to leave Romania without permission. He was reportedly attacked by border guard dogs and beaten so severely by security agents that he was hospitalized. Sentenced in April 1982 to 10 months of forced labor at a work site in Bordei Verd. Escaped from there and again tried to leave Romania by trying to cross the Danube to Yugoslavia with diving equipment. He was caught and arrested.

Silvia Tarniceru and Elena Boghian, sentenced in March 1982 to 15 months of prison for trying to leave the country without permission.

Mihai Filip, 27, married with one daughter, of Suceava, refused permission to emigrate in 1978; applied again in 1979, dismissed from his job and sentenced to three months corrective labor. He attempted to swim across the Danube to Yugoslavia in May 1982 and was arrested by the Yugoslav authorities, returned to Romania in October 1982 and imprisoned in Craiova Prison. Seven other Romanian citizens who left Romania without permission were arrested in Yugoslavia and returned home at the same time as Filip: Ioan Bistriceanu, Gheorge Dan, Nelu Galcan, Crastea Mateiasevici, Grigore Nemes, Ion Panaite, Nicolae Polmolea. They are believed to be still in prison.

Vasile Preda, first arrested in 1978 for demonstrating to obtain emigration permission and served three-month sentence; re-arrested in July 1979 on trumped-up charges of attempting to murder his infant son, and now serving eight-year sentence. His parents and siblings are in the United States.

Some individuals serving less than five years, including Tarniceru and Boghian, mentioned above, were pardoned and released during amnesties in August and December 1982.

These cases illustrate the frustration and isolation that provoke Romanian citizens to take dangerous steps to obtain their freedom. Romanians who indicate their desire to emigrate become social pariahs, deprived of their jobs, denied food coupons, even evicted from their homes. They become so desperate to leave the harsh conditions in Romania, particularly after repeated denials, that they are willing to risk swimming the Danube or flying crop-dusters over the border.

b. Denial of due process

Romanian law does not provide for *habeas corpus* and there is no legal remedy for persons held without charge. According to Romanian law, trials may be closed to the public and often are, particularly in political cases to avoid international publicity. Defendants are allowed access to lawyers but are not given adequate time to prepare a defense. Emergency trials have been used to try and sentence a defendant in less than 48 hours after arrest. Defendants charged with "parasitism" are given summary trials without legal defense.[4]

c. Prison Conditions

The U.S. State Department in its Country Reports on Human Rights Practices for 1982 describes conditions in Romanian prisons as poor, unsanitary and overcrowded. Prisoners are given an inadequate diet and subjected to long working hours and minimal medical care. Sometimes prisoners are punished by confinement in isolation cells and are denied visits with their relatives for as long as six months at a time. One former political prisoner told Helsinki Watch that prison was "like death:"

> There are six persons in one room. We had cabbage, potatoes, no meat, no bread, only polenta. There was sand in the food. Everyone became ill with syllicosis. You can't sit during the day. They wouldn't allow me to receive the clothes my wife brought me. The exercise yard was 3 square meters.

Prisoners frequently resort to hunger strikes to protest inhumane conditions.

d. Psychiatric confinement

The State Department reports that there are unconfirmed accounts of confinement and forcible treatment of dissidents in psychiatric hospitals because of their beliefs or activities.[5] Several such cases have come to the attention of Helsinki Watch.

Mihai Moisa, 47, reportedly confined in the spring of 1982 to Jebel Psychiatric Hospital. First incarcerated in July 1980 in Constanta Psychiatric Hospital after returning from living several years in France. In August 1980 he protested in front of the Central Committee that assurances that he would be provided with work and lodging had not been met. He was arrested and held until December 1980 and then released.

Mihai Baba, late 20s, repeatedly applied to emigrate, arrested in February 1982 after a public hunger-strike in protest of denial of his exit visa; reportedly being held in the psychiatric section of Hospital No. 9 in the commune of Berceni near Bucharest.

V. Freedom of Expression

There are no human rights monitoring groups in Romania. Efforts to form a Helsinki group in 1977 by writer Paul Goma ended in his expulsion from Romania and the arrest and imprisonment of his associates. The government policy has been to exile or imprison virtually all citizens who attempt to organize "watch" groups, or gather and disseminate to the West information on rights violations.

The Romanian government maintains one of the most closed societies in the Soviet bloc. The security police actively discourage contacts with Westerners and even other East Europeans, especially Hungarians. Citizens who risk speaking out publicly, publishing or distributing literature unofficially, or meeting with foreigners, are severely punished.

a. Control of publications

The government maintains complete control over publication in Romania. Unlike Hungary, Poland, or Czechoslovakia, Romania does not appear to have a network of underground publishing or samizdat, independently printed works published in defiance of government censorship. When a group of Hungarians started a samizdat journal in Transylvania, it was said to be the first such periodical to appear in Romania.

Romanians who have sent petitions to the West, in particular to the Helsinki review talks in Belgrade the Madrid, have been detained, interrogated, imprisoned, and exiled. The Department of Cults enforces strict guidelines concerning the publication of religious materials, and unauthorized importation or distribution of such literature is prohibited and punishable by fines and imprisonment (see also Religious Freedom).

b. Registration of typewriters and duplicating machines

An April 1983 government decree prohibits the possession or use of typewriters or duplicating machines by Romanians who have a criminal record or who pose a "danger to public order or state security." Private citizens are now required to register with the police any typewriters they own or which they purchase in the future. Samples of the type face will also be recorded. This decree is clearly designed to discourage dissenters from writing or duplicating samizdat literature.

c. Limits on mail and telephone contact

International telephone calls in particular are monitored in Romania, and mail between Romania and the West is confiscated, read, and sometimes destroyed. In 1982, the Romanian government initiated a tax equivalent to 20 percent of an average monthly salary on citizens' telephone bills when more than one call was made to a destination outside Romania.[6] This tax clearly discouraged citizens from calling friends and relatives abroad. Romanians seeking to emigrate and ethnic groups with relatives outside Romania have been particularly hard hit by this tax.

d. Restrictions on contacts with foreigners

More than any of the East European countries, Romania discourages its citizens from having contact with foreigners or with relatives abroad. Many Western visitors have reported widespread fear among ordinary Romanian citizens about contact with foreigners. This makes it particularly difficult for Western journalists and human rights workers to gather information about human abuses in Romania.

By all accounts, the Romanian secret police, the Securitate, are the most pervasive in Eastern Europe, and may hold the world's record for numbers per capita.[7] Their high visibility and efficiency helps to enforce the prohibitions on contacts with foreigners, intimidating both Romanians and Western visitors.

In 1972, the Romanian government enacted a decree requiring citizens to report all contacts with foreigners within 24 hours. This decree appears to be enfored vigilantly, although it has not entirely discouraged some Romanians from cautious contacts with foreigners.

Foreigners are not permitted to stay overnight in the homes of Romanian citizens. Decree 225/1974 stipulates that tourists who are not Romanian citizens cannot lodge in Romanian homes, with the exception of members of the immediate family. The decree is punishable by fines ranging from 5,000 to 30,000 leis and is strictly enforced by the Romanian police.

London Sunday Times reporter Michael Dobbs gave a humorous account of his 10-day trip to Romania in 1980, where he calculated that at least 150 plainclothesmen and 75 cars, with back-up from uniformed militia, were employed to keep track of his movements. In a letter to the chief of the Romanian secret police, Dobbs wrote:

> My chief criticism of your agents is the incompetence of their attempts to be inconspicuous. . . Your men in the delightful Hungarian-accented city of Cluj in Transylvania were particularly talented at drawing attention to themselves. One flattened himself theatrically against the wall as I drove past. . . I appreciate that it is sometimes difficult for your agents to blend into a background of say, Moldavian peasants in traditional costume in a village church and it's bad luck when a five-year old child rejects the company of a secret policeman pretending to be his father. Still, I do feel you could instruct your agents to act more naturally. . .

Not all Westerners travelling in Romania have been able to treat their experiences with such humor, however.

On February 11, 1982, Bernard Poulet, a French journalist, tried to visit the home of Vasily Paraschiv, a worker activist, who had been reported to be missing or arrested. Poulet was attacked and badly injured by plainclothes agents, and his note-book and tape recorder were stolen. No one came to his assistance, although the incident took place near a police station.

In 1982, two American pastors were expelled from Romania after attempting to get in touch with fellow Christians.

Jeri Laber, Executive Director of Helsinki Watch, attended an international conference in Bucharest in October 1982. Upon leaving, she was summoned by the militia and told that because she had paid visits to private citizens in Bucharest, she was no longer welcome in Romania. Ms. Laber was also warned that her friends would be in serious trouble if she reported the substance of their conversations.

It is not always possible to learn about the harassment of Romanians who speak with foreigners. But some cases have come to the attention of Helsinki Watch:

Dorin Tudoran, a poet who resigned from the Writers Union in protest of restrictive policies, was summoned to the Party offices in September 1982 for talking to a French journalist and not reporting the contact. Tudoran arranged a subsequent meeting and reported it to the Writers Union in advance. He was then warned not to attend the meeting, but went anyway, only to find six security officers blocking his way.

The State Department has reported that the Romanian authorities strictly control attendance by Romanian citizens at functions sponsored by foreign embassies in Romania, and that those who attend regularly have been interrogated, detained, and sometimes physically assaulted.

VI. Rights of Workers

Several thousand Romanian workers have suffered government reprisals for going on strike, and a number of free trade union activities have received jail sentences or been sent into exile.

a. Restrictive labor legislation

Article 27 of the Romanian Constitution guarantees the right to associate in trade unions, but article 7 restricts such associations by establishing that the "leading political force in society is the Romanian Communist Party." Section 164 of the Labor Code states that official General Trade Union Confederation bylaws are the only legitimate basis for all trade union activity. (Romanian law does not mention strikes, since presumably they would not occur in a socialist society.)[8]

The 1981 Report of the International Labor Organization's Committee of Experts on the Application of Conventions and Recommendations concludes that the Romanian labor code and Constitution restrict the right of workers to form organizations of their own choosing.[9] The law establishes such a close link between trade unions and the Romanian Communist Party that it is impossible for labor organizations to operate independently. The ILO Committee asked the Romanian government to consider measures to enable workers to form legally independent unions and to provide full information on the measures it will to take to this end.

b. Labor unrest

In August 1977, 35,000 coalminers went on strike in the Jiu Valley, site of Romania's largest coalfield. They were protesting insufficient food, poor housing conditions, unpaid overtime, and a new, unsatisfactory pension law. President Ceausescu himself came to the Jiu Valley, where he met with a hostile reception. He promised that no reprisals would be taken against the strikers, and that immediate improvements would be made with regard to providing food, a shorter work week, and improved housing.

Despite President Ceausescu's promise, the area was surrounded by Securitate troops and declared off limits. At least 4,000 miners were dismissed from their jobs or transferred to other mines. Some were put into a work camp on the Danube-Black Sea Canal. Members of a 20-person delegation that presented grievances to the Central Committee in Bucharest were arrested after they returned to the Jiu Valley. They were demoted, sent without trial to work in other districts, and put under police surveillance.

Two strike leaders, Ian Dobre and an engineer named Jurica, died shortly after the strike under circumstances that were never thoroughly investigated by the police. The Paris-based League for Defense of Human Rights in Romania reports that 25 miners from the 1977 Jiu Valley strike, including the two workers mentioned above, have died or disappeared.

Not much is known about another subsequent miners' strike in the Motru region of Banat that took place in the Spring of 1981. The area was said to be sealed off, and repression of workers was reportedly brutal. There are unconfirmed reports that two strike leaders were abducted and murdered.

There are other unconfirmed reports about the disappearances of workers in Romania. According to the State Department, reports of politically motivated disappearances in Romania that have occasionally appeared in the West and have been documented by international organizations have neither been confirmed nor refuted by the Romanian authorities, who have discouraged efforts to investigate such reports.[10]

c. Free trade union organizing

In March 1979, a group of intellectuals and workers formed the Free Trade Union of Workers in Romania, known as SLOMR. The SLOMR founding document was signed by 20 individuals, including 16 workers from Turnu-Severin. It asserted the right to form free trade unions guaranteed under Article 22 of the International Covenant on Civil and Political Rights, and Article 8 of the Convenant on Economic, Social and Cultural Rights signed by the Romanian government in 1974. The SLOMR document stated that unemployment in Romania was widespread, and asked for the lowering of work quotas, provision of food, safety precautions and adequate working conditions, and an end to unpaid compulsory "patriotic" work.

SLOMR eventually attracted at least 2,000 supporters. These included about 1,500 workers from Tirgu Mures, an industrial city chiefly populated by Hungarians, and where a clandestine free trade union movement had been founded in 1978 by workers, peasants, and soldiers.

The Romanian authorities rapidly suppressed the fledging labor movement.

By the end of April 1979, 15 SLOMR workers were given prison sentences from three to six months under Decree No. 153 prohibiting "parasitism."

Eugen Onescu and several other workers were interned in psychiatric hospitals.

Founder Dr. Iona Cana, a physician, was sentenced to 5½ years of prison for "conspiracy and anti-government propaganda." Cana was eventually amnestied, but his request to emigrate has not been granted.

Co-founder Gheorge Brasoveanu, an economist, was arrested in March 1979, first confined to a psychiatric hospital, then imprisoned until November 1980. His request to emigrate has not been granted.

Nicolae Dascalu, another co-founder, was sentenced to 18 months of prison (reduced to 10 upon appeal) for violating a press law prohibiting the dissemination of information abroad without legal authorization. Dascalu was allowed to emigrate to the United States in 1981.

G. Grigoras was imprisoned for six months for "inciting an anarchic and parasitic group."

Vasile Paraschiv, a chemical worker from Ploiesti, was detained and beaten in Bucharest in February 1979 for his support of SLOMR. Paraschiv had previously been interned three times in psychiatric hospitals for political reasons. In 1978 he had spent six months in France, where he held press conferences about his experiences of psychiatric abuse. After the break-up of SLOMR, Paraschiv disappeared for some time, and when he was seen in 1982, he appeared to have been the victim of police brutality. He and his wife are seeking an exit visa.

Carmen Popescu, 40, mother of a teen-aged daughter and another co-founder of SLOMR, was imprisoned and released, then re-arrested in 1981 and sentenced to six years of imprisonment. She is still in prison and is in bad health.

Virgil Chender, a worker from Sighisoara, went to Bucharest in March 1979 to submit a collective statement of support for SLOMR from 1,487 workers in Tirgu-Mures. He was apprehended and is still missing.

VII. Religious Freedom

Romania is officially an atheist state in which the Party attempts to suppress or at least restrict all religious activity. Religious affairs are controlled by the government's Department of Cults, which provides some funds for officially recognized denominations and prints some religious material within strict guidelines.

Most religious believers in Romania belong to the Romanian Orthodox faith. Hungarians, the majority of whom are religious, are for the most part Roman Catholics or Reformed Protestants, with some small numbers of Jews and Uniates. Germans are usually members of the Lutheran or Roman Catholic churches. Because Romania's minorities are closely tied to religious denominations, the government's policies towards various religious groups reflects its discriminatory nationalities policy as well.

a. State interference in religious affairs

Before World War II, there were 60 religious groups in Romania, but many were eventually prohibited or violently forced to merge, as was the case with the Uniate Church which became part of the Orthodox church. Today there are 14 recognized denominations. Religious believers who are not members of these state-sanctioned churches—Jehovah's Witnesses, Mormons, Christian Scientists, and some Protestants—are not allowed to practice their faith publicly and are harassed more than other groups. The "Army of the Lord" renewal movement within the Romanian Orthodox Church has been severely persecuted for opposing or transgressing government policies, and its ministers have in some cases been beaten, jailed, or exiled.

In 1978, an independent religious rights committee was formed at the initiative of Pastors Pavel Nicolescu and Dimitrie Ianculovici. The committee, known as the ALRC (Christian Committee to Defend Freedoms of Religion and Conscience), monitored religious persecution and appealed to the state to guarantee religious rights and cease interference in church affairs. Many Baptists and Adventists were arrested, sentenced and imprisoned in connection with the ALRC, and Pastor Nicolescu was expelled from Romania. Since then there have been no public attempts to form such monitoring committees, and individuals who transmit information about religious persecution in Romania to the West take great personal risks.

With the exception of Sabbath services, all religious gatherings are prohibited, and religious proselytizing and education of children is discouraged, sometimes by imprisonment of activists. Baptists, Pentecostalists, and Seventh Day Adventists, the groups most active in seeking converts, are also the most persecuted by the state, which seeks to control, if not eradicate, evangelism. Religious groups frequently run into conflicts with the authorities when they seek building or repair permits for churches. Such permits are rarely issued, and without them, church buildings often must be closed or torn down.

There is sometimes a shortage of trained pastors to serve large congregations, even for the recognized faiths. In the case of the Baptist Church in particular, the government has not approved permission this year for new students to enter the seminary.

In the fall of 1982, 66 Baptist pastors petitioned President Ceausescu for permission to import and print Bibles, train a sufficient number of pastors, and control their own funds, ordinarily managed by the government. The Department of Cults has stated that the petition is an anti-state provocation and has not replied.

Since the 1977 earthquake, many churches have sought and been denied permission to build, and at least five churches have been closed.

In May 1983, two Baptist ministers from Medias, Ion Stef, 48, and Benjamin Cocar, 28, and Pastor Paul Negrutiu of Oradia, were dismissed from the official Baptist Union for baptizing people outside Medias and publicly praying for sick members of their congregation. They were charged with holding illegal religious services and investigated by the prosecutor, who threatened Stef and Cocar with sentences of up to three years. Negrutiu had been taken into custody before, in April 1983 after a house search. All were released after protests in the West.

b. Publication of Bibles and religious literature

The Department of Cults prints a limited number of Bibles with the government's permission, but this is not sufficient to meet the demand. The Baptist and Lutheran denominations have made special requests for more Bibles, but the government has not approved this to date.

The importation of Bibles and other religious literature is not permitted in Romania. Many cases of religious persecution in Romania involve the unauthorized distribution of Bibles and religious literature.

Three Romanians who were members of a ship crew transporting Christian literature were tried and sentenced in September 1981. The captain of the ship, Firu Virgil, is now serving a seven-year sentence. Two marines, Ioan Viasu, 40, and Stan Apostal, 32, both married with children, are serving six and five-and-a-half years of prison, respectively.

Maria Delapeta, 25, and her sister Fibia, 28, were arrested in October 1981 and sentenced to five years in prison for distributing Bibles. They were amnestied from prison last year, but are under continual harassment and seek exit visas to the West.

Trian Dorz, 70, a pastor in the "Army of the Lord" movement, was arrested in 1982 and given a two-year suspended sentence for possessing children's prayerbooks that he had written and published in the West. He suffered a heart attack but was nevertheless re-arrested and sentenced to two years (he had previously served 17). Dorz was amnestied in 1982 but is still under surveillance.

Andrei Bach, a German preacher from Sighisoara; Horst Feder; and Horst Wagner have all been questioned in recent months on the activities of Klaus Wagner, a former prisoner of conscience active in distribution of religious literature, who has now emigrated to West Germany.

Carman Constantin, 71, a Pentacostal; Daniel and Mircea Chibici; Petre Sinitean of Beius, 61, a Baptist; and Nicolae Moldoveanu have all been reported to be under investigation for the distribution of Christian literature.

From April 15 to May 1, 1983, Romanian secret police reportedly searched the homes of 50 Christians, seizing literature, tapes, and music.

c. Father Gheorghe Calciu

The most well-known prisoner of conscience in Romania is Father Gheorge Calciu-Dumitreasa. In 1978, Fr. Calciu was dismissed from an Orthodox seminary where he lectured in philosophy, after he denounced atheism, materialism, and the demolition of churches. On March 10, 1979, Fr. Calciu was arrested and sentenced to 10 years of prison for his role in supporting the free trade union group SLOMR, and the religious rights committee, ALRC. Fr. Calciu was a leading Orthodox priest in the "Army of the Lord" movement, and the authorities apparently wanted to silence him because his sermons attracted many young people.

Fr. Calciu had already spent nearly half of his 55 years in prison before his most recent arrest. The current charges against him were never made public. Romanian officials have claimed that he was convicted of "fascist activities," but no evidence has been produced. Fr. Calciu is now in very poor health after a series of hunger strikes protesting involuntary treatment with drugs, physical abuse, and pressure to ask for a pardon. The authorities have been trying to compel him to request a pardon, but since this may involve a recantation, Fr. Calciu has refused. His wife has not been able to visit him, packages do not reach him, and the authorities have denied requests for an independent medical examination. Western human rights organizations have repeatedly asked for the release of Fr. Calciu. No news about his welfare has been received for some time.

VIII. Rights of Minorities

Within Romania's total population of 22.2 million, there are many ethnic groups: Hungarians, Germans, Serbs, Ukrainians, Slovaks, Czechs, Bulgarians, and an unspecified number of Gypsies. In the Transylvanian section of Romania, where the total population is 7 million, approximately four million are Romanian, two million Hungarian, and 400,000 German. The two million Hungarians in Transylvania form by far the largest minority in Romania. They are numerically the largest national minority in Europe and the largest single group of Hungarians outside of Hungary.

The tensions between Romanians and the minorities are mainly due to Romania's complicated history, in which various nationalities have shared the same territory and sharply disagreed over who was there first.

The Romanian Constitution and legislation provide for minority rights, and there is a wealth of regulations stipulating the use of minority languages in the courts, the proportion of deputies in the Grand National Assembly and so on. But public statements provide a clue to the real attitude towards the national minorities:

> Our party and state are faced with the duty to take conscientious action to provide every one of our citizens with the sort of conditions, under which the nation and the nationalities can fulfill themselves and, at the same time, make it possible for national differences to diminish and gradually to disappear under communism . . .[11]

The minority groups in Romania often say that they live under a double burden: the burden of repression in a totalitarian state, and the burden of discrimination stemming from Romanian chauvinism and "romanization."

a. Cultural suppression of the Hungarian minority

The chief complaint of the Hungarian minority in Romania is that the number of Hungarian schools and the number of Hungarian-language courses in Romanian schools are continually decreasing. The Hungarian community greatly values Hungarian-language education as a way of transmitting and preserving culture. The decline of Hungarian education and cultural opportunities has led many in the Hungarian community in Romania to feel that they are being subjected to "cultural genocide."

After 1956, the Romanian authorities began to dismantle the Hungarian language education network in stages. Hungarian schools were merged in Romanian schools and became "sections," and the sections were themselves merged over a period of time.[12] Each year, the number of lectures given in the Hungarian language in Romanian schools decreases, and retiring lecturers are not replaced. In 1977, the Hungarian minority leader Lajos Takacs published in samizdat a memorandum on the nationality breakdown of the academic staff of various departments of the Babes-Bolyai University of Cluj. (The Hungarian Bolyai University was merged with the Romanian Babes University in 1959.) The figures show a decrease in the number of teachers of Hungarian nationality after 1959.[13]

A party resolution of 1971 determined the subjects that could be taught in the Hungarian language. Applied sciences were not included; thus Hungarians were restricted in selecting careers that would help them advance in an industrialized society.[14]

An unwritten quota system is employed in Romanian schools and universities. In Transylvania, the number of ethnic Hungarians in institutions of higher learning cannot be more than 8 to 10 percent of all students, the overall percentage of Hungarians in Romania. This quota system is discriminatory, since the Hungarian population concentrated in Transylvania makes up 35 to 40 percent of the population. In this way many ethnic Hungarian students are being denied access to higher education, even in the Romanian language.[15]

In 1973, Law No. 278 was passed which stipulates that each year there must be a minimum of 25 applicants at the primary level and 36 at the secondary level in order to open a Hungarian (or any other ethnic group) class. Thus if there are 24 Hungarian or German students, no special class will be formed and the children are forced to study in the Romanian language. There is no such restriction on Romanian students, even in towns where the Hungarian population is in the majority.

Hungarians in Romania have also protested that the use of bilingual public inscriptions has decreased, historical monuments of importance to Hungarian culture have been destroyed or altered, and church archives have been confiscated by the state. Hungarian cultural organizations exist only as paper organizations approving Romanian party policies; they are not allowed to defend minority rights.

b. Suppression of the free flow of information and people between Romania and Hungary

Censorship in Hungary is far less stringent than in Romania, and the Hungarian people have more freedom to express their views in print and in public. In addition to their desire to suppress Hungarian nationalism, Romanian authorities may fear to expose their citizens to the relative freedom and modest political activism that exists in Hungary.

In a March 1983 report to the International Helsinki Federation for Human Rights,[16] Budapest intellectual Gaspar Miklos Tamas, himself a Transylvanian Hungarian, states that the Hungarian-language press in Romania is forced to treat Hungary as if it were a foreign country:

> . . . they are allowed to publish as much information about Hungary as they are of a Western country of secondary importance—Denmark, for example.

Romania does not import contemporary Hungarian literature from Hungary, with the exception of children's books. Most books imported from Hungary are actually the works of Romanian writers which have been translated in Hungarian.

Publications sent from Hungary are often confiscated by the Romanian authorities. It is virtually impossible to subscribe to newspapers or periodicals from Hungary, which are not for sale in Romania. The free exchange of magazines between institutions in Romania and Hungary has decreased and Romanian libraries are compelled to refuse gifts from Hungary.

The Romanian authorities have also placed restrictions on sending some ethnic Hungarian-language publications printed in Romania to Hungary. This makes it more difficult for people in Hungary to get reliable information about the Hungarian minority in Romania.

Romanian authorities have increasingly restricted the flow of travelers between Hungary and Romania. This has been accomplished in large part by Decree 225/1974 which states that relatives of Romanian citizens who are not themselves Romanian citizens cannot lodge in Romanian homes, with the exception of members of the immediate family. Amnesty International has received reports that after this law was enacted, hundreds of members of the Hungarian minority, the group which has the greatest number of relatives abroad, were fined up to 15,000 leis for allowing relatives from Hungary to stay in their homes. Gaspar Miklos Tamas reports that such fines range from 5,000 to 30,000 leis and that this regulation has completely done away with youth tourism from Hungary to Romania, which formerly flourished.

Those tourists from Hungary who do manage to travel to Romania are discouraged from visiting Hungarians in Transylvania, particularly outspoken minority leaders. On several occasions, Hungarians have been detained and interrogated at the border upon leaving Romania, and the ethnic Hungarians they visited have also been questioned.

Travelers from Hungary are not allowed to go to Moldavia. Those who attempt it have been sent back to Hungary by the Romanian authorities and their hosts have been fined and threatened with forcible relocation to other areas. Ethnic Hungarians from Transylvania have also been banished from Moldavia.

The Csangos—ethnic Hungarians living in Moldavia—are said to be severely persecuted and frequently assaulted by the police, merely for speaking in Hungarian. They have no Hungarian schools nor may they use the Hungarian versions of their names or declare themselves to be Hungarian. Their church services in Hungarian are forbidden.

Visits to Hungary by Hungarians from Romania are also discouraged, although by law Romanian citizens are permitted to visit any Warsaw Pact country every two years. Nor are Hungarians from Romania allowed to travel to Hungary to study, even on student scholarships. Amnesty International has reported that Romania has an official quota on the number of ethnic Hungarians who can travel to Hungary for prolonged visits. Some who have applied have been questioned, intimidated, or assaulted in public places by unidentified persons and in this way pressured to withdraw their applications. Sometimes Hungarians are unable to obtain the appropriate application forms from officials who claim they are out of print.

The recently imposed emigration tax which affects Romanian citizens who wish to resettle in the West also affects members of the Hungarian minority in Romania who would like to settle in Hungary. Since the tax must be paid in hard currency, which Hungarian citizens are not allowed to possess, there is no possibility for their relatives in Hungary to help pay the Romanian emigration tax. Members of the Hungarian minority who apply to emigrate to Hungary are subject to the same sort of harassment as other potential emigrants (see Emigration).

Even before the implementation of the emigration tax, Hungarian authorities only accepted a small number of those who wanted to emigrate from Romania, apparently for economic reasons. Thus even if Romanian authorities were to grant ethnic Hungarians permission to leave Romania, they would face difficulties in entering Hungary.

c. *Repression of Hungarian minority leaders*

On November 6–7, 1982 in the Transylvanian towns of Oradea (Nagyvarad) and Cluj (Kolozsvar), the authorities conducted day-long house searches. Several Hungarian minority leaders were confined and held in custody for five days for interrogation. Attila Ara-Kovacs, a philosopher, Karoly Toth, organizer of the Endre Ady Literary Circle, a Hungarian cultural organization, and Geza Szocs, one of the best-known Hungarian poets and thinkers in Romania, were all detained and interrogated, together with about a dozen other ethnic Hungarians. The three men, editors of the samizdat publication Ellenpontok (Counterpoints) may have been detained in connection with an unsigned memorandum dated September 1982 which had been sent by Ellenpontok editors to the Helsinki review conference in Madrid, due to reconvene on November 9, 1982.

Karoly Toth, his wife, Szocs, and others, were reportedly beaten and insulted. Attila Ara-kovacs was released from custody on condition that he leave the town of Oradea; Toth was kept under house arrest.

Seventy-one leading Budapest intellectuals, some of them under government harassment at home, appealed to the Romanian government to cease violating the rights of Hungarians in Transylvania. The Ellenpontok editors apparently have not suffered further harassment, perhaps as a result of protest in Hungary and the West, but they were informed by the authorities that they are accused of treason and were threatened with prosecution. In June 1983, Attila-Ara Kovacs was permitted to emigrate to Hungary.

Karoly Kiraly, a Hungarian minority leader who has repeatedly appealed to the Romanian government for reforms in minority policies, has been under virtual house arrest for the past five years. He is continually subjected to threats and harassment by the police, and his health has been deteriorating. His 1980 application to travel abroad for medical treatment was denied.

IX. Threats to Romanian Emigrants Abroad

A number of Romanian emigres who have spoken out against President Ceausescu's regime have been the targets of Romanian secret police harassment abroad. Paul Goma, a Romanian writer who was expelled from Budapest in 1977 and now lives in exile in Paris, has received numerous death threats in Romanian by mail and by phone. In February 1981, two mail bombs postmarked from Spain exploded in the homes of Goma and Nicolas Penescu, a former Romanian Minister of the Interior. Both Penescu and an explosives expert who detonated the bomb were seriously injured; Goma was not harmed.

In May 1982, Virgil Tanase, an exiled Romanian writer living in Paris, disappeared after leaving his home to meet an associate. Several weeks earlier, Tanase had published a highly critical account of President Ceausescu's personality cult and repressive reign in Romania. Romanian emigres in Paris feared that Tanase had angered the Romanian authorities and had been kidnapped or even murdered by the Romanian secret police. President Francois Mitterand expressed grave concern over Tanase's disappearance and postponed a planned state visit to Romanian for the fall.

By the end of August, however, it emerged that a Romanian spy operating in France had defected to French counterintelligence and revealed that he had been ordered to assassinate both Goma and Tanase. The agent then cooperated with Tanase and the French intelligence authorities to fake Tanase's kidnapping, enabling the agent to return to Romania to bring out his family to France. Tanase reappeared at a press conference on August 31, 1983, and announced that the assassination plot had been foiled.

French authorities later disclosed another alleged plot by the Romanian secret police to kill exiled Romanian writer Virgil Ierunca. In April 1983, Virgil Tanase, Paul Goma, Virgil Ierunca, and another Romanian emigre, Monica Lovinescu, appeared on a French television broadcast and discussed the harassment to which they had been subjected by Romanian secret police, culminating in the three assassination attempts. President Ceausescu described the program as "tendentious" and registered his protest with the French government for failing to stop the broadcast.

The Tanase affair illustrates that the Romanian secret police do in fact plan assassinations and that Romanian emigres abroad have reason to be concerned about their personal safety.

FOOTNOTES

[1] Commission on Security and Cooperation in Europe, *CSCE Digest,* Washington, D.C., September 8, 1982, p. 10.

[2] United States Senate Committee on Foreign Relations, *Human Rights Issues in U.S. Relations with Romania and Czechoslovakia: A Staff Report,* April 1983, p. 10.

[3] For a comprehensive description of the problems of Romanians entering the United States, see *ibid.*, pp. 9–10.

[4] United States Department of State, *Country Reports on Human Rights Practices for 1982,* February 1983, pp. 984-985.

[5] *Ibid.*, p. 984.

[6] *Ibid.*, p. 986.

[7] Helsinki Watch, *Bucharest Should Not be the Site of the Next Helsinki Review Conference,* February 1981. Michael Radu of Columbia University is quoted here.

[8] Karatnycky, Adrian; Motyl, Alexander J.; Sturmthal, Adolph; *Workers' Rights, East and West.* New York, Transaction Books, 1980, pp. 78–79; 81–82.

[9] League for Industrial Democracy, "ILO Reports: Romania," *Workers Under Communism: A Journal of Information and Analysis,* Fall 1982, Number Two, p. 82.

[10] United States Department of State, *op. cit.*, p. 983.

[11] Schopflin, George, *The Hungarians of Romania,* Minority Rights Group, August 1978, p. 10.

[12] *Ibid.*, p. 11.

[13] *Ibid.*, p. 11.

[14] *Ibid.*, p. 11.

[15] Tamas, Gaspar Miklos, "The Position of Hungarian Minorities in the Neighboring Countries," *Violations of the Helsinki Accords: A Report from Hungary,* International Helsinki Federation for Human Rights, May 1983, p. 30.

[16] Much of the information in this section was drawn from the Tamas report cited above.

Ms. LABER. Thank you very much.

Romania's reputation for independence in foreign affairs unfortunately is not mirrored in its domestic practices. Romania is generally considered the most repressive country in Eastern Europe, rivaling the Soviet Union itself in the harshness with which it treats its citizens.

Along with many others, we were very pleased in May when the Romanian leaders promised to cease enforcing the education tax, but we remain concerned about other obstacles to emigration and emigration procedures, namely, the fact that citizens cannot leave and reenter their country freely, that emigration is linked to family reunification problems, that the procedures are characterized by arbitrary delays, and that the citizens who apply to emigrate are often harassed in severe fashion.

We are also concerned with other violations of human rights in Romania, which explain why so many citizens want to emigrate in the first place: The large number of political prisoners; the abysmal prison conditions in Romania; the fact that people are confined in psychiatric institutions; the fact that contact with foreigners in Romania is actively discouraged by a security police which is the most pervasive in Eastern Europe and perhaps in the world; the fact that mail and telephone calls are closely monitored; the fact that foreign journalists in Romania have been followed and even beaten up; the fact that as of April of this year a new decree prohibits the possession of typewriters or duplicating machines by people who pose a danger to the state, and all private citizens must register their typewriters with the police, including a sample of the type face. This explains, I believe, why there is no underground publishing network in Romania.

We are also concerned with the rights of religious activists, of Romanian workers, of the national minorities in Romania, especially the 2 million Hungarians who live in Transylvania, and we are shocked by the treatment of Romanian exiles abroad. I refer to an event which happened last summer when the French Government revealed a plot—a Romanian Government agent defected to France and confessed that he had been assigned to assassinate two prominent poets who had taken up residence in Paris.

As we all know, President Reagan has recommended a waiver, in order that the Romanian Government may continue its MFN status. This was based on a so-called concession by the Romanian Government in May of this year when it promised to cease enforcing an education tax. In my opinion, this promise is both insufficient and unreliable. It is insufficient because by first imposing the tax and then lifting it, the Government of Romania is distracting attention away from other impediments to freedom of emigration and from its own human rights record in general, things which were endangering MFN long before the education tax became an issue. It is also unreliable because the record shows that the Romanian Government has not kept its promises in the past.

As we know, in October of last year, Assistant Secretary of State for Human Rights Elliott Abrams was promised in Bucharest that there would be no education tax imposed, but in November, the Romanian Government announced the tax and then, to the dismay of U.S. Government officials, proceeded to implement it.

A pattern has developed in which Romanian leaders engage in a flurry of concentrated activity in the few months before the MFN renewal date in order to convince the U.S. State Department and Congress of good intentions. Then, once MFN is approved for another year, the Government feels free to revert to its previous disregard for citizens' rights and to ignore its promises at least until MFN time rolls around again.

It is for this reason that I would like to propose that the MFN approval procedure be amended so that Romanian compliance with the Jackson-Vanik amendment be reviewed every 6 months rather than yearly. I think that these more frequent reviews would prove to the Romanian leaders that MFN is something that depends on consistent improvement in emigration and human rights procedures rather than annual gestures.

In conclusion, I would like to describe for a moment some of my own encounters with Romanian officials which I think provide some insight into the way that this Government operates.

I was invited to Romania last October to attend an official conference on the future of the Helsinki process. Because I had never been there before, I went 3 days earlier, and I spent those 3 days in Bucharest doing very much what I would do as a tourist in any other city in the world. I walked around the streets, I shopped, I ate at restaurants, I went to museums, and I also visited a handful of people whose names I had been given by friends of mine in the States.

There are no human rights monitoring groups in Romania, and the people I saw were selected at random. Nevertheless, their problems almost invariably related to emigration. One family was on a hunger strike after a 4½-year struggle to emigrate which had resulted in their loss of jobs and possessions. Another was an elderly couple who told me that they had been arrested on two occasions when they attempted to enter the U.S. Embassy in response to a letter of invitation from someone in the Embassy asking them to come in and discuss their applications to emigrate. The third person, ironically, was a Romanian patriot and very fiercely determined to remain in his own country. He told me that he was being forced into emigration by the authorities because of his outspoken views.

I then went on to attend the conference to which I had been invited. When I was leaving, in the airport, I was suddenly summoned by the chief of the militia in the airport. I was told by this man that he knew from reports that I had seen people while I was in Bucharest and that I had broken the law. I asked if it was against the law to speak to people in Bucharest. It is—I am quoting him now—"if you discuss the sort of problems you discussed with them." I was told that if I were to come back to Romania to speak to "discontented people about their problems," I would no longer be welcome in that country.

The officer then asked me what the Helsinki Watch was, and I told him it was a human rights organization. And then he said to me quite knowingly: "Well, you have traveled in these countries before. You should know the rules."

As a matter of fact, I have traveled quite extensively in Eastern Europe and not without some attendant difficulties, but nowhere in all of my travels have I ever been threatened, intimidated, in fact, blackmailed by the same militia officer who then went on to say to me: "The people with whom you have spoken have brought their problems on themselves. But if you go back to the United States and report the substance of your conversations, they will have more problems."

When I got back to the United States, I wrote letters protesting this episode, and I sent them to the Romanian Ambassador to the United States, to Romanian officials in Washington and also in Bucharest. This was in November 1982. I received no acknowledgement and no response.

Finally, in February, I called the Romanian Embassy and arranged to see the Ambassador in a half hour interview that I can only describe as very disappointing from both sides. I was chided by the Ambassador for conducting a private mission in Romania. I asked him how I was supposed to see people, and he said: "You should come to Romania, you should tell us that you want to make private visits to citizens, tell us exactly whom you plan to visit, and then you are free to do anything you want."

I then asked him whether an official mission from our committee might go to Romania to investigate some of these human rights problems, and he said: "Why should we invite you? We already know what you think of us."

That was in February. In late April, however, the Romanian Embassy began calling members of our committee. An invitation was extended for us to visit Romania, and we were assured, if you can believe this, that we would be safe there. We were also told that the human rights situation in Romania was improving, and we were asked to hold off on the publication of the report I am submitting today, at least until after these hearings in the House of Representatives were over.

Mr. Schulze asked earlier whether people had been asked by the Romanians to testify. I cannot claim that we were asked not to testify, but I think it came very close to that.

I have decided after some thought to mention these overtures. I see no reason why we should be concealing in the name of diplomacy efforts that have been made, I am sure, not just to us but to many other organizations. I think by doing this we are falling into the same game that has been going on for some time now, which leads Romanian leaders to believe that they can do what they wish for a long part of the year and then, in the last few months before MFN, they try to convince everyone that things are changing. Then they go back to their previous practices.

That is why I suggest on behalf of the U.S. Helsinki Watch Committee that the periodic review should be more frequent. That is the only way that we can be sure of consistent improvement in Romanian practices rather than these annual gestures.

Thank you very much.

[The prepared statement follows:]

STATEMENT OF JERI LABER, U.S. CITIZENS' COMMITTEE TO MONITOR THE HELSINKI ACCORDS

My name is Jeri Laber. I am the Executive Director of the U.S. Helsinki Watch Committee, a nongovernmental organization, established in 1979 to monitor compliance with the human rights provisions of the 1975 Helsinki accords. Our committee is concerned with human rights violations in all of the 35 Helsinki signatory states. We have focused on abuses, not just in the Warsaw Pact countries but in countries such as Turkey and Yugoslavia, and, on occasion, in the United States as well. In June 1983 we published a 45-page report on human rights violations in Romania, entitled Romania: Human Rights Violations in a "Most Favored Nation." I would like to submit that report as part of my testimony today. The report describes in detail a number of Romanian practices that violate the Helsinki Final Act and other international agreements. It was compiled on the basis of our Committee's research and that of other organizations, some of which will also be testifying today. I mention in particular information supplied by the U.S. government's Helsinki Commission in Washington, by Amnesty International, by the International League for Human Rights, by the U.S. Senate Committee on Foreign Relations, and by the U.S. State Department in its Country Report on Romania. In my testimony today I will summarize some of the material in the report and then go on to discuss some underlying concerns of our Committee and to make a recommendation for the future.

Romania has acquired an international reputation for independence based on the Romanian government's courage and initiative in departing from the official Soviet line on a number of foreign policy issues. Unfortunately, Romania's independence in foreign policy is not reflected in its domestic practices: Romania's domestic policies are as repressive as those of any of the Soviet-bloc countries. Indeed, many observers consider Romania the most repressive of all East European countries, rivaled only by the Soviet Union itself in the harshness with which its citizens are treated.

Because the Jackson-Vanik Amendment links Most-Favored-Nation status to a country's emigration practices, I shall focus first on emigration. Along with many others, the U.S. Helsinki Watch Committee deplored the controversial education tax that Romania imposed last November on would-be emigrants and was pleased when Romanian leaders promised to cease enforcing the tax in May when it appeared that MFN might be withheld. Other violations of emigration procedures continue in Romania, however—Romanian citizens are not allowed to leave and re-enter their country freely; emigration is linked exclusively to family reunification; emigration procedures are characterized by lengthy, arbitrary delays; and citizens who apply to emigrate are harassed and treated like foreigners in their own country, deprived of jobs or the right to education, evicted from their homes, denied food coupons or medical treatment, and sometimes jailed or confined in psychiatric institutions.

I do not wish to limit my remarks to Romania's emigration policies, because I believe that abuses of the right to emigrate should not draw attention away from some of the conditions that make people want to emigrate in the first place. Romania is, for example, a country with a large albeit unknown number of political prisoners, people who have been incarcerated because of their religious or political beliefs or because of their human rights activities. There is no due process in Romania. Prison conditions are deplorable. Political trials are usually closed to the public and often carried out in summary fashion. There are frequent reports of dissidents who have been forced into psychiatric hospitals because of their beliefs.

The closed nature of Romanian society is illustrated by the fact that there are no citizens' human rights groups that even attempt to function there. Contacts with Westerners—with foreigners of all sorts—are actively discouraged by the security police, which are the most pervasive in Eastern Europe and may hold the world's record for numbers per capita. International mail and telephone calls are closely monitored and citizens are required by law to report all contacts with foreigners within 24 hours. Foreign journalists have been followed and even beaten up in Romania. In 1982, two American pastors were expelled from Romania after attempting to get in touch with fellow Christians.

Unlike other East European countries, there is no samizdat network in Romania. An April 1983 decree prohibits the possession or use of typewriters or duplicating machines by people who have a criminal record or pose a "danger to public order or state security." Private citizens must register their typewriters with the police, including a sample of the type face.

Religious affairs are closely controlled by the Romanian government, as is the publication of religious literature. Several thousand Romanian workers have suffered government reprisals for going on strike, and a number of free trade union activists have been jailed or exiled. There have been unconfirmed reports about the disappearances of striking workers in Romania. The Romanian government has discouraged efforts to investigate such reports.

The rights of national minorities in Romania, and especially of the two million Hungarians who occupy the Transylvanian part of the country, have been denied by the Romanian government which practices a policy of cultural repression, restricting the use and the teaching of ethnic languages and suppressing the free flow of information and people between Romania and Hungary.

Finally, Romanian repression has been extended to exiled Romanian critics of the regime who now live abroad. In the summer of 1982, a scandalous plot was revealed in France when an agent of the Romanian government defected to French intelligence authorities and confessed that he had been ordered to assassinate two prominent Romanian writers, critics of the regime, who now reside in Paris.

As we all know, on March 4, 1983, President Reagan declared his intention to terminate Romania's MFN status as of June 1983 because the Romanian government was implementing an education tax and thus restricting freedom of emigration. On May 18, 1983, after a series of high-level negotiations, Romania promised the United States that it would cease implementing the emigration tax, although the statute remains on the books. This so-called "concession" by the Romanians led to the President's recommendation, on June 3, 1983, that MFN be renewed for Romania for another year.

Such a promise by the Romanian government is both insufficient and unreliable. It is insufficient because, by first imposing the education tax and then lifting it, the Romanian government is distracting attention from other impediments to freedom of emigration and from its worsening human rights record in general, things which endangered MFN long before the education tax became an issue. It is unreliable because the record shows that the Romanian government has not kept its promises in the past. Let me recapitulate: last year, at the time of the MFN hearings in Congress, Romania took several hasty measures to demonstrate its human rights concerns. Soon after MFN was approved, however, it was rumored that the Romanian government was planning to impose an education tax. Elliott Abrams, U.S. Assistant Secretary of State for Human Rights and Humanitarian Affairs, met with Romanian officials in Bucharest in October 1982 and was assured that there would be no such tax. Mr. Abrams announced this in a press statement after his return. But on November 1, 1982, the Romanian government announced an emigration tax and, to the dismay of U.S. government officials, proceeded to implement it, backing off only after President Reagan "called the question."

A pattern has developed in which Romanian leaders engage in a flurry of concentrated activity in the few months before the MFN renewal date in order to convince the U.S. State Department and Congress of Romania's good intentions. Then, once MFN is approved for another year, the Romanian government is free to revert to its previous disregard for its citizens' rights and to ignore its promises to the U.S. government, at least until MFN time rolls around again.

For this reason, I would like to propose that the MFN approval procedure be amended so that Romanian compliance with the Jackson-Vanik Amendment must be reviewed every six months, rather than yearly. More frequent reviews, similar to the certification procedures that are used with regard to El Salvador, will demonstrate to Romanian leaders that MFN depends on consistent improvement in their policies rather than on annual "gestures."

In conclusion, I would like to describe some of my own encounters with Romanian officials, encounters which provide some insight into the nature of the Romanian government. Last October (by coincidence during the same week that Elliott Abrams was conducting MFN follow-up discussions in Bucharest), I was invited to Romania to attend a conference on "The Future of the Helsinki Process." I arrived in Bucharest three days before the conference was to begin. It was my first visit to Romania. During those three days I did what I would do as a tourist in any other country in the world: I walked through the city streets, shopped in the stores, ate at three different restaurants, visited two museums. I also visited a handful of people whose names I had been given by people I knew in the United States. Since there are no human rights monitoring groups in Romania, the people I visited were at best a random selection. Nevertheless, their problems were almost invariably related to emigration. One family was on hunger strike, after a four-and-a-half-year struggle to emigrate which had resulted in the loss of jobs and possessions. Another couple had been arrested each time they tried to visit the U.S. Embassy in response to letters inviting them to come in to discuss their applications to emigrate. A third person, a Romanian patriot adamant about remaining in the land of his birth, was, ironically, being forced into exile abroad by the authorities because of his outspoken views.

At the airport when I was leaving Romania, after attending the official conference, I was called before an officer of the militia and told that while I was in Bucharest I had seen people and "broken the law." I asked if it was against the law to speak with people in Romania. "It is if you discuss the sort of problems you discussed with them." I was told if I were to come back to Romania to talk to "discontented people about problems" I would not be welcome. I asked about the U.S. Helsinki Watch Committee and described it as "a human rights organization," to which my interrogator responded knowingly: "Then you've traveled in these countries and you should know the rules." Yet despite my extensive travels in Eastern Europe, often with some attendant difficulties, it is only in Romania that an attempt was made to threaten, intimidate, indeed to blackmail me, by that militia officer who went on to say that if I reported the substance of my talks with Romanian citizens, those people "will have more problems."

When I returned to the United States, I wrote letters in which I protested against these threats at the airport. I sent them to the Romanian Ambassador to the United States and to other Romanian officials both in Washington and in Bucharest. I received no acknowledgment or response. Finally, I arranged a meeting with the Romanian Ambassador which I can only describe as totally unsatisfactory from anyone's point of view. I was chided for conducting a "private mission" in Romania, yet when I asked if members of my Committee could travel there officially I was told: "Why should we invite you? We already know what you think about us." I was told that MFN is discriminatory and that all nations should receive equally beneficial trade tariffs from the United States. That was in February.

In late April, however, the tune changed. A Romanian Embassy official began calling members of our committee. An invitation was extended to members of the Helsinki Watch to visit Romania and we were assured that "we would be safe there." Attempts were made to assure us that the human rights situation in Romania was improving and to dissuade us from publishing our report on Romania "at least until after the hearings in the House of Representatives." Yet the promised improvements did not materialize. As you can see, we have gone ahead and published our report. Moreover, I see no reason to conceal the overtures that have been made to us in an effort to forestall our report. Romanian leaders must be shown that people in the U.S. government and in nongovernmental organizations will not be fooled into accepting token gestures and superficial promises instead of real change in human rights practices. A more frequent periodic review of Romania's MFN status may help bring about substantial change in the protection of the rights of Romanian citizens.

Chairman **Gibbons**. Thank you, Ms. Laber.

Mr. Huff?

INTRODUCTION BY HON. HAROLD ROGERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. **Rogers**. Mr. Chairman, thank you very much.

It is my pleasure to introduce to you, Mr. Chairman, and the other members of the subcommittee, a very good friend of mine from my district in southeastern Kentucky who is a minister in a Protestant church at London, Ky., and is also a very distinguished and longstanding member of the Kentucky State Senate and one of the leaders of his party in that body, and a close personal friend of mine for many years, a man whom I have a great deal of admiration for and respect, who has been very active not only in his church and political work, but internationally on the human rights aspect of Christianity around the world.

I am very pleased to recommend him to you and introduce him to you, and that is State Senator Gene Huff, to my far left. And thank you very much, Mr. Chairman.

Chairman **Gibbons**. Thank you.

And Senator Huff, we are glad to have you here also.

STATEMENT OF HON. GENE HUFF, KENTUCKY STATE SENATOR ON BEHALF OF CHRISTIAN RESPONSE INTERNATIONAL

Senator **Huff**. Chairman Gibbons, I want to express my appreciation for the opportunity to express myself in regard to Romania's most-favored-nation trade status.

By way of introduction—and I certainly appreciate Congressman Rogers' introduction—I just want to identify myself as a member of the Kentucky Legislature for the last 16 years, and it is in that regard that I found myself involved in this particular situation.

My testimony comes as a result of a deep-seated concern for the problems of the repression of Christians and other human rights peoples in Romania and in other Communist-controlled countries. The governmental involvement came as a result of my introduction of Senate Resolution No. 31, dated Wednesday, February 17, 1982, and I submitted that as part of the testimony given as copies for the committee.

Chairman GIBBONS. All right, sir. It will all be included in our record.

Senator HUFF. Thank you.

This resolution was passed by the Kentucky Senate unanimously. I address myself to section 2 of that resolution regarding testimony before this honorable subcommittee and a recommendation that Romania's most-favored-nation trade status not be renewed. This resolution was not only passed by the Kentucky Senate, but later in an identical move by the Kentucky House of Representatives. I understand that after its initial passage, four other States have gone on record as favoring this recommended action.

This action resulted in the communication of recognition from President Reagan's office and from our own State Department in a letter dated March 12. It might interest the committee to know that as a result of this interest both by us and our counterparts throughout the State legislatures and Congress, initiated the release of the individuals named within that resolution who at that particular time were being held in Romanian prisons.

On November 11, Representative Tom Riner, who accompanies me today, left for Romania on an observation tour. On our arrival, we made contact with our Ambassador, David Funderburk, and were cordially greeted and assisted in our scheduling of meetings with the Romanian Director of Cults, later three members of the Romanian Parliament, and a special meeting with the Romanian Orthodox Patriarch, Justinian Moisescu.

From our dialog with Mr. Ioan Rosianu, Director of Cults, we learned that the Romanian Government was not willing in any manner whatsoever to cooperate with non-state approved churches. In fairness to Mr. Rosianu, I think he represents the position of the total government in Romania. They do not want, nor will they tolerate the development of churches, and will repress it with any measures they deem necessary.

We saw evidence of one church, Pentecostal, that had been destroyed by the Government for insignificant violations in the building code. Incidentally, this church had 600 members. Their violation was developing a house into a church structure. This became necessary when the church was forced to leave the city proper and move to the outskirts, but really, it was simply a maneuver to insure the destruction of this religious assembly.

I visited another Pentecostal church in Medias where they were meeting in the basement, no electricity, no heat, and very cold November weather. We saw this building by automobile battery light after darkness.

While in Romania we visited 12 churches, 6 Baptist, 5 Pentecostal, and 1 German Evangelical. We traveled broadly from the Romanian capital, Bucharest, by rail to Medias in central Romania, and then by car to Oradea on the Hungarian border. We lastly flew to Iasi on the Russian border.

Our experience of observation was not limited to one area, but this repression we found throughout all of Romania. Of the 12 churches, 6 were government approved churches and 6 were nonapproved. As a result, we feel we have a personal knowledge of the tremendous persecutions that Romanian Christians are undergoing. It is my judgment that although Romania at this point has promised the removal of the education tax, that this simply is an overture to assure MFN renewal, and then severe pressure will continue to be brought to bear on those in Romania desiring religious freedom after all judgments are made.

It is my hope that this subcommittee will recommend that most-favored-nation trade status not be renewed under the present governmental positions taken against the Romanian Christians.

As an addendum to my testimony, I offer a copy of a letter received May 16 from Vienna, Austria. It again will show what is going on among the churches in Romania. I also have evidence that I will submit showing where Christians are severed from their employment as reprisal to them for simply being an active Christian. Once severed from employment, it is difficult to find another job. After 1 year of nonemployment they are branded a parasite and are subject to imprisonment. It really costs to be a Christian in Romania.

I make myself available for any questions the subcommittee members may have, and proffer those documents that are attached to our testimony.

Thank you, Mr. Chairman.

[Attachments to the prepared statement follow:]

A-1197 Vienna AUSTRIA

BEE

May 16, 1983

Mr. Gene Huff
Rt. 7 Box 171-C
London, KY 40141
U.S.A.

Dear Mr. Huff,

During a recent trip to Romania I was privileged to spend an evening with Mr. ——— in the city of ———. He asked me to communicate to you several concerns relating to the Pentecostal church in Romania. There are three main issues involved:

1. There are 36 Pentecostal churches in the area around Oradea. All of these churches have at least 100 members. In the past all have asked for government recognition and permission to continue meeting. These requests have all been denied. Recently, the government officials did said they would give permission to 15 churches if the other 21 would be closed! Sadly the denominational leaders accepted this condition.
2. The Pentecostal church in Oradea now has over 4,000 members and has far outgrown the building within which they are allowed to meet. Consequently, several members from a separate geographical neighborhood bought a house in this area and remodeled it to have church services there. They went to the government and asked permission to do this but were instead fined 10,000 Romanian lei. The police then forced the people to rebuild the house to its originial form and fined them an additional 3,000 lei for working too slowly. Finally one member of the church decided to buy the house personally and he was threatened with imprisonment for doing so.
3. ——— was told by one of the local party officials that he has been ordered to put economic pressure on anyone claiming to be a Christian.

——— also told me that he has heard nothing on his immigration request and asked that you help in this matter as well.

Let me say that it was a real treat to be with ——— and some of his friends and they are serving the Lord with gladness and boldness. I trust this information will be helpful to you and that your receiving the information will be helpful for them. Thank you very much.

Sincerely,

82 BR 1559

IN SENATE

REGULAR SESSION 1982

SENATE RESOLUTION NO. 31

WEDNESDAY, FEBRUARY 17, 1982

Senator Gene Huff introduced the following resolution which was ordered to be printed.

A RESOLUTION urging the United States not to renew the Most Favored Nation trading status of the Socialist Republic of Romania.

WHEREAS, five leading Romanian Baptist pastors of Bucharest, Joseph Sarac, Vasile Talos, Vasile Brinzei, Pascu Geabau, and Buni Cocar, have been falsely accused by the Romanian authorities of embezzling $57,285. These funds were spent without the knowledge of the Romanian Ministry of Cults, but with the full knowledge and approval of the various congregations involved; and

WHEREAS, Klaus Wagner of Sighisoara, Romania, who is a member of the Brethren Church and Maria and Fibia Delapeta of Carpinis, Romania, who are members of the Army of the Lord/Romanian Orthodox Church, were arrested on October 1, 1981, and tried in the Romanian courts. They were sentenced to six years, five years, and five years imprisonment respectively, as well as, levied unspecified monetary fines; and

WHEREAS, Silviu Cioata and Costel Georgescu of Ploesti, Romania, were arrested on November 11, 1981, and Nicu Rotaru of Bacau, Romania was arrested on December 11, 1981, for distributing Bibles in the Socialist Republic of Romania and are now awaiting trial; and

WHEREAS, John Teodosiu of Cluj, Romania, was arrested and charged on December 16, 1981, for espionage due to his information-gathering activities for western human rights organizations relating to the arrests and persecution of religious believers in the Socialist Republic of Romania. These information-gathering activities were religious, not political, in nature and have resulted in John Teodosiu being held incommunicado by the Romanian Secret Police; and

WHEREAS, relatives of Christian believers are being impelled by the Romanian authorities to sign statements which would subject their loved ones, because of their religious beliefs, to treatment in psychiatric institutions; and

WHEREAS, 13 other Christian believers in the towns of Bucharest, Ploesti, Bacau and Alba are currently being subjected to daily interrogations by the Romanian Secret Police because of their involvement in distributing Bibles; and

WHEREAS, numerous reports are reaching the United States which indicate that those individuals arrested are being held and tortured with electric shock treatments and severe beatings; and

WHEREAS, in August of 1975, the Romanian government signed the Final Act of the Helsinki Accords, pledging to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience"; and

WHEREAS, in accordance with Section 402 (Jackson-Vanik Amendment) of the 1974 Trade Act, Romania's emigration and human rights record is to be studied annually by the administration, as well as, both houses of Congress to determine whether that country is eligible to receive Most Favored Nation trading status for an additional year;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate urges President Reagan not to renew the Most Favored Nation trading status which the Socialist Republic of Romania now enjoys with the United States.

Section 2. That this honorable body encourages the members of the Kentucky Congressional Delegation to testify before the House Subcommittee on Trade and the Senate Subcommittee on International Trade against the renewal of Romania's Most Favored Nation trading status in protest of the repression of Christian believers by the Romanian government.

Section 3. That the United States Helsinki Commission is urged to block the selection of Bucharest, Romania, as the next location for the review of the Final

Acts of the Helsinki Agreement by the Commission for Security and Cooperation in Europe.

Section 4. That the Clerk of the Senate is directed to transmit a copy of this resolution to President Reagan, the members of the Kentucky Congressional Delegation, the United States State Department, the Commission for Security and Cooperation in Europe, the Embassy of the Socialist Republic of Romania, Radio Free Europe/Radio Liberty and the Voice of America.

Chairman GIBBONS. Thank you.

Senator Riner, do you have a statement?

STATEMENT OF HON. TOM RINER, KENTUCKY STATE SENATOR, ON BEHALF OF CHRISTIAN RESPONSE INTERNATIONAL

Senator RINER. Chairman Gibbons and members of the subcommittee, as a State official and as a Baptist pastor, I praise the Lord for this opportunity to speak to you about a matter which is especially important to those of us who live in the Bible belt of our Nation.

First, I would like to explain why I believe it would be an act of cruelty for the United States to renew most favored nation trading status with Romania. As members of the Kentucky General Assembly, Senator Huff and I spent nearly 2 weeks last November on a factfinding mission to Romania. During that period we spent a considerable amount of time in conversations with Ambassador David Funderburk concerning most favored nation trading status with Romania. It was Ambassador Funderburk's opinion that to renew MFN would only reward a government that continues to ignore basic human rights by hampering those religious believers desiring to emigrate.

After speaking with many Romanian Christians, I came to understand that they also feel that it is immoral to grant such status to leaders who are at war with their own population. The hard line Stalinist leadership of Romania has succeeded in making life so miserable for the average person that nearly 10 percent of the population has applied to emigrate to the West. This is especially significant when you consider that the mere act of applying to emigrate is considered an act of hostility by the Government.

I spoke with scores of people who had applied for emigration. Here are some of the various forms of persecution which were related to us.

No. 1, many reported either losing their jobs or being demoted or being reassigned to work in another part of the country, away from their church contact.

No. 2, the secret police immediately began extensive surveillance of all phone calls, travel, and personal associations.

And No. 3, the children of those who applied for emigration were deprived of further educational opportunities.

In fact, Senator Huff and I witnessed the Romanian secret police in action throughout our trip. Before we arrived in Romania, our translator, Pastor Benjamin Cocar, was stopped twice by the police en route to meet us, warned not to meet us, and finally arrested when he attempted to meet our arrival at the Bucharest airport. After several Congressmen from Kentucky protested this action to the Romanian Embassy, we eventually made contact with Pastor Cocar and his father-in-law, Pastor Ioan Stef of Medias. While eating with these two families, we experienced the constant pressure which religious leaders and their families face in Romania. We were at their home when they received calls to report for interrogation at the police station concerning our visit and having eaten with them. In addition, we were there when they were called to appear before the Ministry of Cults the very next day to be interrogated once again.

In another instance, after having eaten several meals in the home of Pastor Buni Cocar of Bucharest, the secret police placed him under house arrest, charging the pastor with having given secret information to Senator Huff and myself. This occurred after we left the country.

I found the Romanian officials to be vicious toward any religious believer who applied for emigration or made any kind of issue of human rights. Senator Huff and I met with Pastor Sarac of Bucharest who had been slandered by the Government for signing a petition, along with 65 other leading pastors, calling for the Government to recognize the basic rights of churches to be able to teach their young people, to be able to distribute Bibles among their people.

President Iann Rosianu, who directs the Department of Cults, had met with us for nearly 2 hours, denouncing Pastor Sarac and all other key leaders who had signed that petition. During that meeting with Rosianu, he justified limiting the Baptist and Pentecostal seminaries to a total of five students each, as well as cutting off the entire freshman class of both seminaries.

Furthermore, Rosianu emphatically stated the Government's right to level and bulldoze any church which had violated a building code, no matter how minor. Senator Huff and I have personally witnessed the remains of churches destroyed by bulldozers. In the city of Cimpia Turzii, we saw how the Government destroyed a beautiful church which had been recently constructed, which, in fact, was built slightly longer than the state had authorized.

In Iasi we visited a Baptist Church which was threatened with destruction because it was built a meter and a half higher than authorized. This church was to be destroyed 2 days after we had gotten to the city. Later, they gave a verbal agreement that they would not destroy it, but they did not put it in writing.

To give you an example of the kind of harassment and no-win situation in which these churches exist, this particular church in Iasi had applied for permission for nearly 10 years to build a toilet facility at the church location and had never been granted the same. They had applied for nearly as long for permission to put a heating furnace in the church and never received the permission.

Of course, what they have to do is go ahead and do these things anyway, and when they do they subject themselves to the penalties, the fines, and the threat of being destroyed.

No effort is withheld in the state's effort to cripple and destroy the church. One Baptist pastor from Resita had 900 people attending church and only 300 seats. For nearly 25 years they had applied for permission to expand and never was this permission granted.

Such are the tactics of the Ceausescu Government. Romania is truly a land of darkness. There is a sense of hopelessness and depression which completely dominates the atmosphere. The people have a tremendous amount of respect for the United States and very little respect for their own Government because of its inhumane and uncaring disposition toward its own people. Those that we met felt that the people at the American Embassy were more their representatives than their own Government.

Take for instance the church in Tiginesh—by the way, on this page 4 it is not the city of Sighisoara; it is Tiginesh—which was destroyed by an earthquake in 1977. The Government will not grant this church a permit to rebuild. Therefore, the walls are made of cardboard and the people do without heat in order to worship. Senator Huff preached in this particular church one of the first nights that we were there.

The pastor was one of the 66 to sign the petition asking the Government to grant certain basic rights, and the Government's reply was that if he would resign his position and put it in writing that he would not perform the duties of a pastor to this church then they would consider allowing them to rebuild the church. This is the kind of intimidation that the Romanian religious community lives with.

In conclusion, I must say that I agree with Ambassador Funderburk's thoughts, that conditions have not improved, but actually gotten worse for Christians desiring to emigrate since MFN was first granted Romania. Furthermore, it is difficult to justify a policy which does nothing for the United States and insults the captive population of Romania by continuing to reward a cruel and inhumane Government.

Having been personally involved with transporting blood samples of a Romanian pastor back to the United States to be evaluated, because this pastor had good reason to believe he had been poisoned by the secret police, and having communicated these concerns about the mysterious deaths of certain Christian leaders to the director of the Department of Cults, I am convinced that the Romanian Government's desire to stop the growth of the Christian faith is greater than its appreciation for international cooperation or the most favored nation trading status or any international agreement which it may have signed.

If there are any questions, I would be happy to answer them.

[The prepared statement follows:]

STATEMENT OF TOM RINER, STATE REPRESENTATIVE, COMMONWEALTH OF KENTUCKY

I praise the Lord for this opportunity to speak to you about a matter important to the Christian believers in the Commonwealth of Kentucky.

First, I would like to explain why I believe it would be an act of cruelty for the United States to renew Most Favored Nation trading status with Romania.

As members of the Kentucky General Assembly, Senator Gene Huff and I spent nearly 2 weeks last November on a fact finding mission to Romania. During that period, we spent a considerable amount of time in conversations with Ambassador David Funderburk concerning Most Favored Nation trading status with Romania.

It was Ambassador Funderburk's opinion that to renew M.F.N. would only reward a government that continues to ignore basic human rights by hampering those religious believers desiring to emigrate.

After speaking with many Romanian Christians, I came to understand that they also feel that it is immoral to grant such status to leaders at war with their own population. The hard line Stalinist leadership of Romania has succeeded in making life so miserable for the average person that nearly 10 percent of the population has applied to emigrate to the West.

This is especially significant when you consider that the mere act of applying to emigrate is considered a hostile act by the government. I spoke with scores of people who had applied for emigration. Here are the various forms of persecution which follows:

1. Many reported either loosing their jobs or being demoted or being reassigned to work in another part of the country away from church contact.

2. The Secret Police immediately began extensive surveillance of all phone calls, travel, and personal associations.

3. The children were deprived of further educational opportunities.

In fact, Senator Huff and I witnessed the Romanian Secret Police in action throughout our trip. Before we arrived in Romania, our translator Benjamin Cocar was stopped twice by police, warned not to meet us, and finally arrested when he attempted to meet our arrival in Bucharest.

After several Congressmen from Kentucky protested this action to the Romanian Embassy, we eventually made contact with pastor Cocar and his father in law Pastor Ioan Stef of Medias.

While eating with these two families, we experienced the constant pressure which religious leaders and their families face in Romania. We were at their home when they were called to report for interrogation at the police station concerning our visit. In addition, we were there when they were called to appear before the Ministry of Cults the next day to be interrogated.

In another instance, after having eaten several meals in the home of pastor Buni Cocar of Bucharest, the secret police placed him under house arrest charging the pastor with having given information to Sen. Huff and myself.

I found the Romanian officials to be vicious toward any religious believer who applied for emigration or made an issue of human rights. Sen. Huff and I met with pastor Iosif Sarac of Bucharest who had been slandered by the government for signing a petition along with 65 other pastors calling for the government to recognize the rights of churches.

President Ioan Rosianu who directs the Department of Cults had met with us for nearly 2 hours and denounced pastor Sarac and all other key leaders who had signed the petition.

During that meeting with Rosianu, he justified limiting the Baptist and Pentecostal seminaries to a total of 5 students each as well as cutting off the freshman class entirely.

Furthermore, Rosianu emphatically stated the governments right to level any church with a building code violation. Sen. Huff and I had personally witnessed the remains of churches destroyed by bulldozers. In the city of Cimpia Turzii we saw how the government destroyed a beautiful church which had made its building slightly larger than what the state had authorized. In Iasi, we visited a Baptist church threatened with destruction because it was built 1½ meters higher than authorized. This church had waited 10 years unsuccessfully for permission to build a toilet.

No effort is withheld in the states effort to cripple and destroy the church. One Baptist pastor from Resita had 900 people attending church and only 300 seats. That church has waited 25 years for permission to expand. Such are the tactics of the Ceausescu government.

Romania is truly the land of darkness. There is a sense of hopelessness and depression which dominates the entire atmosphere. The people have a tremendous amount of respect for the United States and very little for their own government because of its inhumane and uncaring disposition toward its own people.

Take for instance the church in Sighisoara which was destroyed by an earthquake in 1977—the government will not grant this church a permit to rebuild. Therefore, the walls are made of a cardboard and the people do without heat in order to worship.

Just last week, the Nicolae Tudorache family of Bucharest were told by four secret police that they would never receive emigration approval. After the officers forced their way into the Tudorache house and physically assaulted Nicolae Tudorache, they admitted they were "getting revenge for Mircea Tudorache's Christian activities." This family applied to join relatives in New York in December 1979. Two days ago (July 12, 1983), Mircea and Nicolae Tudorache were summoned to the secret police headquarters. At that time they were verbally insulted, questioned and told that they would receive their passports soon. However, after six unkept promises, they remain skeptical.

Meanwhile, Paul and Pauline Dragu, who were mentioned during last year's MFN hearings, have been waiting since August 1981 for word on their emigration applications. During the past year both have been arrested several times. One reason given was that they were parasites (unemployed). Of course Romanian law can come after people unemployed one year or more, and it is a common tactic of the government to delay emigration long enough to bring such charges against those attempting to emigrate.

Teofil Bucar is another typical case. He first applied to leave Romania in March of 1982. Repeated delays keep him waiting to join his fiance in the United States. Furthermore, he has been interrogated by the secret police and was for awhile placed under round-the-clock surveillance.

In conclusion, I must say that I agree with Ambassador Funderburk's conclusion that conditions have not improved but actually gotten worse for Christians desiring to emigrate since MFN was first granted Romania. Furthermore, it is difficult to justify a policy which does nothing for the United States and insults the captive population of Romania by continuing to reward a cruel and inhumane government.

Having been personally involved in transporting blood samples of a Romanian pastor thought to have been poisoned by the secret police, and having communicated these concerns about the mysterious deaths of certain Christian leaders to the Director of the Department of Cults, I am convinced that the Romanian government's desire to stop the growth of the Christian faith is greater than its appreciation for international cooperation or Most Favored Nation trading status.

ROMANIAN HUMAN RIGHTS ADDENDUM—THREE RECENT CASES [1]

The Nicolae Tudorache family, from Bucharest—

Applied to Emigrate: December 1979.

Filed With American Embassy in Bucharest: March 1980.

Received Large Emigration Forms: January 1983.

Family Members: Nicolae and Lidia Tudorache; Children: Cornel, Mircea, Imelia, Silvia, Liliana, Daniela, Carmen; Daughter In-Laws: Imelia and Veronica.

Summary: From December 1979 until the present, the family has received promises of passport approval and then repeated delays and excuses. Problems accelerated after Mircea Tudorache was arrested and interrogated in August of 1982. M. Tudorache was accused of writing a letter to friends which encouraged evangelization of non-Christians. Mircea Tudorache was told to write his friends again and warn them that they would be arrested if they did proselytise their religion. He was released. During the week of July 4, 1983, four secret police officers forced their way into the Tudorache residence, physically striking and roughing up N. Tudorache. The officers told N. Tudorache that the family's passports would not be approved because they were getting revenge for M. Tudorache's evangelistic activities. N. and M. Tudorache were ordered to report to the Internal Affairs Office in Bucharest on July 12, 1983. (Often people are arrested when told to report to that office which houses the secret police.) After being verbally insulted, N. and M. Tudorache were told that the family's passports will be approved soon. The family is not sure what will happen, because they have received promises many times before and then were given excuses as to why the approvals could not be granted. The Tudorache family has immediate relatives living in New York, New York, thereby qualifying for emigration under international law.

Note: Four of the working-age children were fired from their jobs in January 1983 after they had received the large emigration form. Technically, under Romanian law, they could now be arrested for being "parasites" (Article 153, Romanian Penal Code).

Paul and Paulina Dragu, from Tirgu Jiu—

Applied to emigrate: August 1981

Family Members: Paul and Paulina Dragu; Children: Four daughters.

Summary: In January 1982, Paul and Paulina Dragu were arrested after they staged a hunger strike to protest delays in their emigration approval. When Paulina Dragu subsequently suffered a heart attack, she was taken into the psychiatric ward rather than the emergency ward of the hospital. There she was given unfamiliar drugs. During the past 18 months Paul and Paulina Dragu have been in and out of prison, interrogated regularly and unable to live a normal life. They still have not received an answer regarding their emigration applications. Last news to reach the West (May 1983) Paulina Dragu was in prison on unknown charges.

Paul Dragu is a deacon in the Brethren Church. Church members and friends testify to the credibility of the Dragu family.

Teofil Bucar of Ploiesti, Romania—

Bucar was trained as an engineer at the University of Electronics and Telecommunications in Bucharest, graduating near the top of his class. When he applied for work as an engineer, a prospective employer told him word had been received not to hire Bucar because he was active in his church. Bucar could only get work as a laborer several hundred miles away from his home. After he applied to emigrate on March 4, 1982, threats and verbal harassment increased. At one point, the secret police kept him under constant, obvious surveillance for more than two weeks. As of July 12, 1983, he had not received approval.

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[1] Information provided by Christian Response International Rockville, Maryland, USA.

Chairman GIBBONS. I know we are all happy that we live in the land that we live in. I wish we could do more to spread tolerance and understanding than we have been able to.

In looking at a problem like this, we always have to make a judgment, looking at what would happen should we act in a negative way rather than in a positive way, and it is not a pleasant decision to make. I am sure you gentlemen know it as members of your own legislative bodies.

But we take these responsibilities very seriously, and we want to commend both of you for taking your time and the inconveniences that you suffered and the hardships that you suffered in going there to bring us this report. And the same to you, Ms. Laber, and to Mr. Birnbaum.

Mr. Schulze, would you like to inquire?

Mr. SCHULZE. Thank you, Mr. Chairman.

Yes, I too would like to commend this panel. You have spoken eloquently and probably have verbalized my thoughts and feelings perhaps better than I, and I appreciate it.

I am especially pleased to have the two State senators here. I would have to assume that you got into this whole thing kind of accidentally. You really were not on a crusade. You were not out looking. You were just trying to do your job, and then this sort of snowballed.

So along that line you are, I think, typical Americans and are reacting the same way that almost any average citizen would, given the conditions that you have observed and experienced.

Senator Huff, you referred in your testimony to the destruction of churches. Would you elaborate a little bit more on that?

Mr. HUFF. Mr. Schulze, I have a photocopy. I did not make it a part of the record, but I do have it available for committee members, should they so desire. It was referred to in my remarks, and more specifically in Representative Riner's remarks. But it was concerning one Pentecostal Church at Cimpia Turzii in Romania, 600 membership including the children, and this is actual photographs taken. I have the originals showing the church proper as it was completed and then afterwards when it was destroyed.

Here is the actual procedure for the destruction of this church. They had a church in the city and they were advised by the city to move out of the center of town. They bought a house for 280,000 leu in 1979, and they renovated the house into a church that would facilitate for their congregation.

They asked for a building permit. No building permit was issued, and so they proceeded to make the renovation on their own. Because they had no official permit, they were then fined 33,000 leu.

On May 7, 1982, early in the morning 50 workers, 2 masters in buildings, 1 engineer, the mayor of the town, the chief architect of the town, the chief of police, and 15 policemen came to the site and destroyed the church.

I also have original photographs that we took showing the destruction of the building. They left only a portion of the basement in the rear, and these poor people now are worshiping in that portion that was left of the basement, and they too are going without heat and without the other necessary utilities.

But this is an example. We also had another example in the city of Medias, where a church had grown to the point that a 400-membership church had built a basement. They applied for a permit for a church. It was not issued, and it was the church I referred to that has no heat, no electricity, but 400 people meet congregationally in that church.

But there are many other examples that we can give you.

Mr. SCHULZE. Yes. Perhaps you were in the audience when I mentioned earlier the situation with Father Couchu. I guess you are aware of some of that, having been there.

You also mentioned direct reprisals for Christian activities. Are there any other examples of that you would like to give us?

Mr. HUFF. I suppose that one example I have is somewhat unique from what I can understand. I have an actual governmental order that was issued against a man, a Romanian by the name of Ilich Demutru who was a foreman for 27 years in his factory. And the statement—and I also have it to offer as evidence, should the committee desire it—resolution number 2508. According to the minutes from February 15, 1982, issued by the General Assembly of the Workers from the prototype workshop:

Found guilty of serious misconduct of the socialist ethics and of the political and moral behavior he had to show as foreman. His crime, in paragraph No. 3, was, on the account of article 17 from June 19, 1977 regarding the foreman's role and duties. Comrade Ilich Demutru as a foreman and to prove his political and moral authority in the midst of his coworkers, his activity within the Baptist cult is inconsistent with his position.

This man was severed from his job. We have also the direct Romanian document that was issued by the authorities, and photographs of the man, his wife and two children.

I mentioned in my remarks earlier, when this happens and a man loses his job, he cannot hire in again, ordinarily. But if he does, he hires in at less wages. If he does not find employment within 1 year, he is listed a parasite and then he is imprisoned under the parasite law in Romania.

Mr. SCHULZE. Senator, I do not think that we can print photographs in our record, but I would ask the chairman that the rest of those materials be made a part of the record.

Chairman GIBBONS. Certainly, they will be made a part of the record.

[The material referred to had not been received at the time of publication.]

Mr. SCHULZE. And I thank you both for your testimony, and I would also have to commend Ms. Laber for her testimony and for her willingness to state the facts as she not only saw them, but pressures under which she was placed. And I congratulate her on handling herself admirably.

If there is anything you would like to add, we would be happy to have it. But you are to be commended for your actions.

Ms. LABER. Thank you.

I might just add that Senator Huff's document reminded me of something I was shown when I was in Romania by a man who was on a hunger strike wanting to emigrate. He was a computer engineer who had worked in an office where there was a periodic evaluation of his work. He was obviously good. He showed me that year after year he had received the reports "satisfactory, satisfactory."

In the last year, however, someone wrote: "Has applied to emigrate, therefore unsatisfactory."

Mr. SCHULZE. These barriers are there. They go up and they are used. They say there is some improvement because there are not as many beatings as there used to be. There are still some, I guess, going on.

It used to be as soon as you applied for emigration you were hauled off to the police department and worked over. So that they look upon that as an improvement. I just go off and shake my head in bewilderment over those types of statements and actions.

Rabbi Birnbaum, it is always good to have you before the committee, and I commend you for your continual actions throughout the year. They are invaluable in the service of human rights throughout the world.

We thank you all for your presentations.

Mr. BIRNBAUM. Thank you very much, Mr. Schulze. Thank you, indeed.

Chairman GIBBONS. Our next witness is our colleague, Representative Larry McDonald.

Let me say to the audience, I am going to make every attempt to get all the witnesses in this morning. I do have a responsibility for a bill on the House floor and the House goes in at noontime. I will stay here until the very last moment when the staff notifies me that I have to appear on the floor. Then I will go over.

But if for any reason we have not finished the testimony of all the witnesses that have offered to appear today, I will come back later today. I will ask witnesses to please keep in touch with the staff. I would be glad to hear your testimony, or if you prefer you may submit it and we will include it in the record.

Congressman McDonald.

STATEMENT OF HON. LARRY P. McDONALD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. McDONALD. Thank you, Mr. Chairman. Mr. Chairman, the full statement includes material listing individuals who have been persecuted by the Romanian Government, particularly with reference to Transylvania, pages 2 and 3, and I would——

Chairman GIBBONS. We will include all of that in the record. Go right ahead.

Mr. McDONALD. Mr. Chairman, if I may summarize portions of this in the interest of time prior to any questions you may have. But I will start out saying, I would like to extend to you, Mr. Chairman, to the members of this committee, my appreciation for this opportunity to testify once again relative to the MFN status of the Socialist Republic of Romania, the Hungarian Peoples' Republic, and the People's Republic of China.

And just parenthetically, Mr. Chairman, I must say that I do these listings because these are, I think, the way they prefer to be listed, although most of us know that these designations of "the people's democratic republic of such and such" is not a government of the people, nor is it democratic, nor is it a republic in the true sense of the word.

You, the members of the subcommittee, are to decide on the presidential recommendation that a further waiver of the freedom of emigration requirements under section 402 of the Trade Act of 1974 be indeed waived. I am opposed to extension of the waiver for all three, Mr. Chairman. In fact, I am a cosponsor of a resolution of disapproval.

Of the three nations to be considered today, I have the strongest feelings about Romania. It must certainly be amusing to Ceaucescu to see the U.S. Government march up the hill and down the hill again on this annual exercise. The Romanian Government carefully exercises control of its emigration spigot so that it is tough in the months after the waiver is approved for another year, and then it begins to ease up when the question is due to come up for consideration again.

Take the so-called "education tax" it imposed earlier this year. For some months they collected the tax, that is convertible currency, from hapless Romanians attempting to leave, who in turn had to secure such funds from friends and organizations abroad. And then when the President announced that he would not ask for the renewal unless the tax was lifted, the Romanian Government waited almost until the last moment to lift it.

For how long will they lift this tax? One month? Two months? Who knows?

What I do know is that we have been played for suckers once again. I know in a lot of areas in this country it is no longer "Uncle Sam," it is "Uncle Sugar." I am sure that in a lot of parts of the world it is "Uncle Sugar," but I think in parts of the world it is just "Uncle Sap."

And this is once again a case where we go through this annual exercise, Mr. Chairman. I have testified before this subcommittee in years past, and it is just sort of a routine charade, and the question is how long will we permit ourselves to be treated in this rather cavalier fashion.

This is to say nothing of the continued repression in Romania of the Hungarian minority, including also you have German minorities in Romania, repression of the Hungarian language, Hungarian culture, that I have testified on in past sessions of this subcommittee, and the repression of Christians and Jews which has been so eloquently referred to earlier this morning.

Also this morning there was reference to the fact that there is now a plan out to register typewriters, to register the type of typewriters and reproductive type of equipment. This is certainly not the act of any nation that is interested in allowing a reasonable degree of freedom, of God-given rights for its own citizens.

I would just add for the record, Mr. Chairman, the remainder of the material on page 2 and 3 and move straight to page 4.

The People's Republic of China is, of course, another story. Indicative of the state of mind there and the relations between our two nations is the fact that the People's Republic of China—and once again I make reference to the fact that it is not the government of the people, nor is it a republic in the true sense—stopped all cultural relations over the defection of one tennis star who preferred to live in the United States.

This same great power canceled Pan-American's access to mainland China because Pan-American is now flying to Taiwan, free China, the true Republic of China. In my view, these two instances speak volumes about the usefulness of the so-called "China card."

I might even bring up at this point statements by the head of our own Library of Congress, the Assistant Chief of our own Library of Congress, who travelled to China, in efforts to help China because of the destruction of their own libraries by the Red Guards during one of their periodic cultural revolutions and their need to replace their libraries. They of course do not allow a copy of the Bible or the Koran in any Chinese library, with the blank statement that it is against their policies, that they are an atheist nation. And there is much more that can be said on that.

And incidentally, you may have noticed recently in the press about the American doctoral candidate who dared to tell the truth about the abortion policy in the People's Republic of China, who subsequently lost his candidacy status as a result of the furor raised in the People's Republic of China over these revelations.

The PRC has been unwilling to limit its textile imports to the United States, and these exports continue to damage the American textile industry in general and the Georgia textile mills in particular. Since 1982, December of that year, we have had numerous meetings with the Chinese from the mainland, and they are still unable to reach an agreement on textile imports.

Meanwhile, the textile industry of the United States and particularly that of north Georgia continues to suffer. Recent figures show textile imports still rapidly growing from the PRC. Imports were four times as large in 1982 as in 1979. Indications for 1983 show further expansion. These imports will not help recovery in northern Georgia or in other textile-producing areas.

In the case of Hungary, emigration is restricted by the Government. Attempting to leave Hungary without permission is a serious offense and calls for 3 years imprisonment. Even preparations to leave illegally are punishable.

Much is made of the Hungarian economy and supposed differences from the U.S.S.R. and Poland. Closer observations reveal that the Hungarian dissidents are treated about the same as dissidents anywhere in the Soviet bloc. Hungary is even using psychiatric hospitals in order to stifle dissent.

Some say, in support of Hungary, that there are not many people waiting to leave—officially, that is. However, how many would leave if the borders went unguarded for 1 week, is a question we do not know the answer to. When one applies officially to emigrate in a Communist country, one had better be prepared to lose their job and starve for a period of time. Therefore, the number officially waiting to leave is a poor indicator in such a case.

Much is made of the supposed economic health of Hungary, which in fact is due mainly to Western assistance. However, Hungary has a heavy debt to Western nations. As of 1981, her hard currency debt was $8.8 billion, which is extremely large for a nation of 10 million people.

Therefore, I wish to continue on record as being opposed to this continuation of MFN status for these three nations. MFN is in these three cases another subsidy for a system opposed to ours and is yet another example of self-destruction in my view.

Thank you, Mr. Chairman.

[The prepared statement follows:]

STATEMENT OF HON. LARRY P. MCDONALD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. McDONALD. Mr. Chairman, I appreciate the opportunity to again testify before this subcommittee on trade relative to the MFN status of the Socialist Republic of Romania, the Hungarian People's Republic and the People's Republic of China. You, the members of the subcommittee, are to decide on the presidential recommendation that a further waiver of the freedom of emigration requirements under section 402 of the Trade Act of 1974 be waived. I oppose extension of the waiver for all three, Mr. Chairman. In fact, I am a co-sponsor of a resolution of disapproval.

Of the three nations to be considered here today, I have the strongest feeling about Romania. It certainly must be amusing to Ceaucescu to see the U.S. Government march up the hill and down the hill again on this annual exercise. The Romanian Government carefully exercises control of its emigration spigot so that it is tough in the months after the waiver is approved for another year and then begins to ease up when the question is due to come up for consideration again. Take the so-called "education tax" it imposed earlier this year. For some months they collected this tax—i.e., convertible currency—from hapless Romanians attempting to leave, who had to secure such funds from friends and organizations abroad. And then when the President announced that he would not ask for renewal unless the tax was lifted, the Romanian Government waited almost until the last moment to lift it. For how long will they lift this tax? For one month, two months? Who knows? What I do know is that we have been played for suckers again. How long are we going to permit ourselves to be treated in this cavalier fashion? This is to say nothing of the continued repression in Romania of the Hungarian minority, Christians and Jews.

RECENT VICTIMS OF ROMANIAN TERROR IN TRANSYLVANIA

(As reported in the Transylvanian Quarterly of July 1983)

Besides the names widely publicized in the world press as victims of extreme police brutality like those of Géza Szöcs, poet; Ákos Egyed, historian; Károly Tóth, artist; Attila Ára-Kovács, writer and six other Hungarians accused of having contributed to the publishing of the underground paper called "Ellen-Pontok" (counterpoints), we received reliable information of the following Hungarians who were arrested, beaten, tortured and some of them murdered by the securitate during the last three months: Jenö Borbély, high school teacher and Katalin Biró, architect, both of Csikszereda. They were beaten and tortured, according to witnesses, and their screams could be heard for hours. They have not been seen since. Reverend László Ťkés, Presbyterian minister in the city of Dés/Dej. Attila Váry, writer; Attila Kelemen, veterinarian; Mihály Spelman, historian and Gábor Tompa, of Marosvásárhely/Targu Mures.

Borbála Lukács, teacher, Csikszentmihály.

László Bogdán, poet; Andreás Balogh, theater director; Zoltán Czegö, poet and Imre Markó, dentist, from Sepsiszentgyörgy.

Víd Tarnován, sculptor, Dávid Szabó, waiter; István Daki, laborer; Jenö Losonczy, truck driver and Dani Poros, refuse-collector, Kolozsvár.

Lóránt Kertész, economist; Mártha Józsa, student; Tibor Dénes, student; Dezsö Kertész, laborer; János Imbre, laborer; István Sujda, laborer, Nagyvárad/Oradea.

Károly Jurta, laborer, Válaszút.

Jolán Borza, student, Szamosújvár/Gherla.

Ilona Béres, Szék.

Imre Ballas, Feketelak.

Balázs Vén, Búza.

Dénes Ember, Szépkenyerümárton.

Áron Balázs and Juliska Bogár, Kovászna.

Béla Lörinc, János Lukács and Jenö Ugron, laborers, Torda/Turda.

Géza Fábrik, Pál Pakits and Gábor Dezsö, Arad.

Imre Kalota and Ábris Kone, Gyéres.

István Dombodi, Lörinc Kásás, Mária Deák, nurses aid and Béla Bubolik, mechanic, Ludas.

We know that our list is far from being complete. The absolute control of the news media by the Rumanian Government and the lack of communication between the Hungarian groups make it impossible, even for the underground, to gather information from every part of the country. Intimidation of witnesses, the danger of being arrested and beaten for "spreading rumors in an attempt to hurt the reputation of the government" and the constant fear of being watched or even overheard by police-informants, all this blanket of secrecy under which the brute force of the police is the only might and authority.

We were told by an informed source that by conservative estimates only one of every forty cases of brutality, abuse, torture and even murder, perpetrated by the Rumanian Police against Hungarians, ever becomes known to the public, and even then only in a very small circle.

The People's Republic of China is yet another story. Indicative of the state of mind there and the relations between our two nations is the fact that the PRC stopped all cultural relations over the defection of one tennis star who prefers to live in the United States. This same great power cancelled Panam's access to mainland China because Panam is now flying to Taiwan. In my view, these two instances speak volumes about the usefulness of the so-called "China card". An American doctoral candidate who dared tell the truth about the abortion policy in the PRC subsequently lost candidacy status as a result of the furor raised by the PRC over these revelations. The PRC has been unwilling to limit its textile exports to the United States and these exports continue to damage the American textile industry in general and Georgia Textile Mills in particular. Since December of 1982, we have had numerous meetings with the Chinese and are still unable to reach an agreement on textile imports. Meanwhile, the textile industry of the United States and in particular, that of North Georgia continues to suffer. Recent figures show textile imports still growing rapidly from the PRC. Imports were four times as large in 1982 as in 1979. Indications for 1983 show further expansion. These imports will not help recovery in northern Georgia or other textile producing areas.

In the case of Hungary, emigration is restricted by the government. Attempting to leave Hungary without permission is a serious offense and calls for three years of imprisonment. Even preparations to leave illegally are punishable. Much is made of the Hungarian economy and supposed differences from the U.S.S.R. and Poland. Closer observations reveal that the Hungarian dissidents are treated about the same as dissidents anywhere in the Soviet bloc. Hungary is even using psychiatric hospitals in order to stiffle dissent. Some say in support of Hungary that there are not many people waiting to leave Hungary—officially that is. However, how many would leave if the borders went unguarded for a week? When one applies officially to emigrate in a Communist counry one had better be prepared to lose their job and starve for a period of time. Therefore, the number officially waiting to leave is a poor indicator in such a case. Much is made of the supposed economic health of Hungary which, in fact, is due mainly to Western assistance. However, Hungary has a heavy debt to Western nations. As of 1981 her hard currency debt was $8.8 billion, which is extremely large for a nation of 10 million people.

Therefore, I wish to continue on record as being opposed to continuation of MFN status for these nations. MFN is, in these three cases, another subsidy for a system opposed to ours and is yet another example of self destruction, in my view. Thank you.

Chairman Gibbons. Thank you.

Mr. Frenzel?

Mr. Frenzel. No questions.

Chairman Gibbons. Thank you.

We now have a panel of the Romanian-American Baptist Fellowship, the Romanian Radio Hour of Cleveland, Mr. Lucaciu, the Reverend Lucaciu, the Reverend Pascu, and Mr. George Crisan.

Also on this panel will be the American-Romanian Cultural Foundation, Mr. Niculescu and Mr. Lempicki, and Dr. Emanual Merdinger, professor at the University of Florida.

Yes, sir, you may proceed.

STATEMENT OF REV. A. S. LUCACIU, PASTOR EMERITUS AND PRESIDENT, ROMANIAN-AMERICAN BAPTIST FELLOWSHIP, ACCOMPANIED BY REV. DANILA PASCU, PASTOR EMERITUS AND DIRECTOR AND FOUNDER, ROMANIAN RADIO HOUR; ALSO ON BEHALF OF REV. GEORGE CRISAN, EDITOR, THE CHRISTIAN

Reverend LUCACIU. Mr. Chairman, my name is A. S. Lucaciu, with residence at 30115 Mayflower Road, Farmington Hills, Mich. I am the president of the Romanian Baptist Fellowship of the United States of America and Canada, and pastor emeritus of the First Romanian Baptist Church of Detroit, Mich.

I am speaking on behalf also of Mr. George Crisan, our legal adviser, who is convalescing at the present time at home, who is also the editor of our Romanian religious official paper, Christinul; also on behalf of Danila Pascu, pastor emeritus of the First Romanian Baptist Church of Cleveland and sponsor of the Romanian religious program for the last 40 years. His dwelling place is in 9410 Clifton Blvd., Cleveland, Ohio.

You have heard so many speeches this morning, and you will hear some more this afternoon. In speaking on this subject, I do not claim to have any authority, but I do claim some authority in the field of religion and emigration. In these fields I do have personal experience. Therefore, I do speak not as a politician or diplomat, but as a simple man of religion.

In the last 15 years it was my good fortune to visit Romania, the place of my birth, eight times for at least 45 days at a time. Therefore, I do have a fairly good knowledge of what is going on there. In these many days and years I had the honor to preach the word of God in 28 different churches in Romania. Whenever and wherever I had this privilege, the churches were literally packed to capacity with people who came out to hear the good news of the Gospel and worship their God.

In 1979 I was highly honored to be invited by the leadership of the Romanian Baptist churches to be one of their guest speakers at the 27th Baptist Congress of Romania. The Congress was held in one of the largest Romanian Baptist churches in Bucharest. With me were two other guest speakers, Dr. Gerald Glass, executive secretary of the European Baptist Union, and his assistant secretary, Dr. Danton Luss. There were approximately 5,000 people attending this congress.

The following year it was my high honor to be invited with these same distinguished guests mentioned above to the dedication of the Hope Baptist Church, Speranta of Arad. At every service, this church was literally packed to capacity. The seats were well taken in advance, before the worship service began.

After eight visits in Romania, after preaching in 28 different churches, after attending the 27th Baptist Congress of Romania, after being in personal contact with the leadership of the Romanian Baptist Union, I have come to the conclusion that there is a freedom of religion in Romania, more so now than in many years gone by. Of course, that is no comparison between our religious liberty in the United States of America and the religious liberty of Romania. There is a freedom of religion in Romania under certain laws which in our country would be altogether impractical.

As long as you obey the laws of the land, whether you like it or not, you are at liberty to worship your God as you understand Him. There are certain laws in our own land which we would like to do away with, but we cannot. Therefore, we must obey them and enjoy the freedom of religion under these laws.

So much for religious liberty. Now let me touch upon another law which must be observed—the emigration law. The Romanian Government made many, many blunders like many other governments, including our own. The Romanian Government was supposed to liberate and integrate our Romanian families in the United States of America, which has not been done 100 percent. However, in the last number of years we have registered in our Romanian churches a large number of integration and immigration of various individuals who came to our shores. More than 90 percent of our church membership is composed today of immigrants who came to us in the last 8 to 10 years. We have churches composed entirely of this new element that came to us in these last few years.

When they came to us, or when they do come to us, we meet them with the Gospel of Jesus Christ and try to make them good American Christian citizens.

Therefore, our recommendation is that with all the faults of the Romanian Government, to extend the clause of most favored nation, not only for another year, but indefinitely.

As far as the economy is concerned, we must confess that we do not know as much about it as we would like to know. The Romanian economy depends largely on our own American economy. With the improvement of our own economy, the economy in Romania as well as in many other countries around the world will improve their own economy.

Summing up the items we have debated right and left, and counting on the experience we have had with the Romanian churches in the United States of America and in Romania, we highly recommend the extension of the clause most favored nation, giving Romania another chance to improve itself wherever it can be improved. In all my personal contact with other churches, I did not find any discrimination in religion or in emigration laws.

I may inject one more item here. Someone may raise the question, what about the younger generation? Are the younger folk permitted to come to the United States of America? Our answer is affirmative. In the last number of years, a large number of highly educated young men came to us. We have lawyers, doctors, engineers, and so forth in our churches. Our last Romanian Baptist Congress in the United States of America was held in Akron, Ohio. For our enjoyment and the glory of God, we were pleased to see a large number of younger generation taking part in our discussion and participating in various convention activities.

Thank you so much. I am ready for questions.

[The prepared statement follows:]

Statement of Rev. Danila Pascu, Director-Founder of the Romanian Radio Hour of Cleveland, Ohio; Rev. A. S. Lucaciu, President, Romanian American Baptist Fellowship; and Rev. George Crisan, Editor of "The Christian", Legal Counsel

OUR ORGANIZATIONS RECOMMEND APPROVAL OF PRESIDENTIAL RECOMMENDATION

Our religious organizations comprise Romanian English speaking Baptist believers. The membership is well over 2,500 all over the United States. The members are maintaining an interest in promoting friendship relations with Romania. As Christian believers of Baptist tradition, we believe that the extension of the MFN clause the USA and Romania can greatly benefit.

"The Christian", a quarterly publication is the mouthpiece of the Romanian-American Baptist Fellowship. It is read by more than 2,500 readers in the US and it also goes to 26 Western countries & Romania.

We have extensively traveled in Romania and have personal knowledge that the Romanian Government endeavors to comply with the Trade Act of 1974's clauses and also with the Helsinki Declarations.

During the past two years we have experienced many obstacles and hardship for those applying for permit to leave Romania and join their families in the USA or elsewhere in the Western world. Asking for explanations, the Romanian officials at the Embassy in Washington could only give assurance that eventually all the hurdles will be overcome, since the local authorities had all the authority in granting such passports to exit Romania. Eventually, after unexplainable delays, petitioners have been granted leave to exit Romania.

On our trips we realized that the Baptist churches are enjoying the same freedom of worship as the Orthodox Church, which is the national church, and has about 80 percent of the population in its membership. To be sure such freedom of worship is not the freedom we understand and enjoy under our Constitution and laws.

We do believe that it is in the best interest of the United States to extend the MFN clause to Romania, which though a complete Communistic and totalitarian regime, in the past stood for its independence in the Socialist bloc of Europe, dominated by Russia.

We are familiar with the Romanian Financial and Economic great difficulties which appear almost insurmountable. Nevertheless, for centuries Romania stood a fast bastion there, against Russian drive for open seas.

We sincerely appreciate this privilege and opportunity in submitting the statement and testifying to it, recommending the extension of the MFN clause to Romania, once again, under all the political and economical guards required.

Chairman Gibbons. Well, thank you.

I want to interrupt this panel here and ask you, because the testimony of Senator Huff and Senator Riner, of course, contrasts with yours.

Can you help us understand the reason for this contrast?

Reverend Lucaciu. Mr. Chairman, as I stated, I am not a politician or a diplomat. I am simply a pastor of three different churches here in the United States, and I spoke a moment ago from my own experience being in contact with various Romanian churches in Romania and the United States. I can speak only of what I have seen and what I have heard.

Possibly Mr. Pascu may be able to say more.

Chairman Gibbons. All right, fine. We will go to him.

Reverend Pascu. My throat is not good or I could talk more. But I was a pastor here for 37 years, and I was in Romania a pastor for 10 years. I am the son of a pastor. I was put in jail in Romania not under this government, before the war, all the people that speak so loud today.

I might say that the Baptists have today the freedom and the religious people, they have freedom that they did not have before.

Chairman Gibbons. Thank you, sir. I do not want to interrupt you. Go ahead if you would like.

Reverend PASCU. And I want to support the most-favored-nation clause for Romania. It will be good for the Romanian people, and it will be good for the people who go to church.

Chairman GIBBONS. All right. Thank you, sir.

Mr. Crisan—do we have Mr. Crisan with us today?

Reverend PASCU. He is sick.

Chairman GIBBONS. Oh, I am sorry.

Mr. Niculescu?

Mr. LEMPICKI. He is not here. I am representing the Foundation.

Chairman GIBBONS. Oh, all right, sir.

STATEMENT OF THAD LEMPICKI, VICE CHAIRMAN AND SECRETARY, AMERICAN-ROMANIAN CULTURAL FOUNDATION, INC., ON BEHALF OF BARBU NICULESCU, PRESIDENT

Mr. LEMPICKI. My name is Thad Lempicki. As an introduction, the Foundation consists of all Americans from all professional fields with the common bond being our interest in expanding and strengthening of America's role in international affairs.

As we have in past years, and again this year, we join the President of the United States and other American officials in favorably recommending continuation of waivers to permit further continuation of MFN trade status for Romania.

We feel that there are many valid and significant reasons to justify further extension of MFN to Romania, with the overall conclusion being that such extension is clearly in the best interests of the United States. It is also in the best interests of a world where sovereign nations are free to chart their own futures without interferences from other governments.

We share this recommendation with our President and the State and Commerce Departments who study this subject on a daily basis.

The record proves beyond a doubt that since MFN has been extended to Romania, there has been a continuing expansion of candid dialog and a working relationship between America and Romania. This continuing expansion of international relations has provided both, as well as many other countries, with significant benefits that could never have materialized had America and Romania not embarked on a period of candid discussion and cooperation.

MFN is a major factor contributing to development of an expanding relationship, built on a foundation of mutual trust, respect, cooperation, and a willingness to openly deal with many sensitive problems both within and outside of the trade area. These sensitive areas include emigration, commerce, security, human rights and other areas where America and Romania are able to discuss candidly and establish mutually beneficial agreements. I think the record proves that this has happened numerous times in the past.

This relationship with a major world power and Romania, a small country, who have such major differences in political, cultural and social areas, is a model to all smaller countries of the world that they could also establish and benefit from an ongoing relationship with America. MFN must be recognized as being the means whereby such an open, candid and cooperative relationship was started. This was one of the major objectives of MFN, and we recognize that it is working successfully and must continue to work in the future.

It is also important to recognize that along with the benefits of MFN, we have also assumed a major responsibility to not unfavorably impact Romania's economy by imposing a policy whereby we turn on MFN trade one year and then take the position the next year to turn it off. We should not continually encourage Romania or any other nation to expand trade relations, build American trade into their economy as a major segment, and then threaten to overnight destroy that very same economy that America helped to build. This is especially true in this case as it is well known that Romania has a very weak economy that it has been trying to manage and improve without massive aid in the form of interest-free loans, nonrepayable loans and grants from America and other nations. It has also been faced with severe, massive economic pressure from Russia and its satellites because it chose to work with America and other western nations in many different areas and parts of the world.

When we encourage smaller nations to see it our way, go along with us, and they do accept our encouragement, we must recognize and properly respond to this international responsibility that we assumed. We should not become insensitive to our responsibilities and the needs of smaller nations. We must maintain an international policy that reflects fairness, long term stability, consistency and maturity in our relations with not only Romania, but all other nations. Without such, American influence and prestige will suffer, and our position of strength throughout the world will continue to diminish.

There are numerous other justifications that have been highlighted by our State and Commerce Departments and others interested in this subject. Included are facts such as America's exports result in jobs for Americans, America has consistently enjoyed a favorable balance of payments, and so forth. Few recognize the continued state of cooperation between America and Romania as also a basis for extension of MFN.

In summary, the American-Romanian Cultural Foundation recommends continuation of MFN trade status for Romania. We recognize that such is in the best interest of both countries and is a vital ingredient in further expanding and strengthening our international relations with Romania and other nations throughout the world.

Thank you.

[The prepared statement follows:]

STATEMENT OF THE AMERICAN-ROMANIAN CULTURAL FOUNDATION, INC.

SUMMARY STATEMENT

Mr. Chairman and members of this distinguished Subcommittee. I am Mr. Barbu Niculescu and with me today is Mr. Thad Lempicki. We represent the American-Romanian Cultural Foundation of which I am its Chairman and President and Mr. Lempicki is its Co-Chairman and Vice President. Our foundation's patrons, trustees, membership and friends are distinguished Americans from all professional fields. Our common bond in the foundation is our interest in expanding and strengthening

America's role in international affairs with emphasis being in the area of America's relations with Romania.

As we have in past years and again this year, we join the President of the United States and many other American officials in favorably recommending continuation of necessary waivers to permit further continuation of MFN trade status for Romania.

There are many valid and significant reasons to justify further extension of MFN trade status to Romania with the overall conclusion being that such extension is clearly in the best interests of America. It is also in the best interests of a world where sovereign nations are free to chart their own futures without interference from other governments. We share this recommendation with our President and State and Commerce departments who study this subject on a daily basis and with all the resources available to our government.

The record proves beyond any doubt that since MFN has been extended to Romania, there has been a continuing expansion of candid dialogue and a working relationship between American and Romania. This continuing expansion of international relations has provided both countries as well as many others worldwide with significant benefits that could never have materialized had America and Romania not embarked on a period of candid discussion and cooperation. MFN is a major factor contributing to this beneficial growth and relationship that is built on a foundation of mutual trust, respect, cooperation and a willingness to openly deal with many sensitive problems both within and outside of the trade area. These sensitive areas include various subjects in commerce, security, human rights and other areas where America and Romania were able to discuss candidly and establish mutually beneficial agreements.

This relationship between two countries such as America, a major world power and Romania, a small country who have such major differences in political, cultural and social areas is a model to all smaller countries of the world that they also could establish and benefit from an on-going relationship with America. MFN must be recognized as being the means whereby such an open, candid and cooperative relationship was started. This was one of the major objectives of MFN and we recognize that is working successfully and must continue to work in the future.

However, it is important to recognize that along with the benefits of MFN, we have also assumed a major responsibility to not unfavorably impact Romania's economy by imposing a policy whereby we turn on MFN trade one year and then take positions the next year to turn off MFN. We should not continually encourage Romania or any nation to expand trade relations, build American trade into their economy as a major segment and then threaten to overnight destroy that very same economy that America helped to build. This is especially true in this case as it is well known that Romania has a very weak economy that it has been trying to manage and improve without massive aid in the form of interest free loans and nonrepayable loans and grants from America and other nations. It has also been faced with severe massive economic pressure from Russia and its satellites because it chose to work with America and other Western Nations in many different areas and parts of the world. When we encourage smaller nations to see it our way, go along with us and they do accept our encouragement, we must recognize and properly respond to this international responsibility that we created for ourselves. We should not become insensitive to our responsibilities and needs of smaller nations. We must maintain an international policy that reflects fairness, long term stability, consistency and maturity in our relations with not only Romania but with all nations. Without such, America influence and prestige will suffer and our position of strength throughout the world will suffer.

There are numerous other justifications that have been highlighted by our State and Commerce Departments and others interested in this subject. Included are facts such as America's exports result in jobs for Americans, America has consistently enjoyed a favorable balance of payments in its trade with Romania, total trade exceeds one billion dollars per year and so forth. Very few recognize the continued state of cooperativeness between America and Romania. This state of trust and respect enabled us to discuss sensitive issues that were clearly internal matters, work on these issues until a mutually satisfactory solution was arrived at and not be told to mind our own business as has Russia and many others that includes many of our friends. This as well as other justifications should not be treated lightly and overlooked.

In summary, the American-Romanian Cultural Foundation recommends continuation of MFN Trade Status for Romania. We recognize that such is in the best interests of both countries and is a vital ingredient in further expanding and strengthening our international relations with Romania and other nations worldwide.

DETAIL STATEMENT

The following discussion is presented to support our recommendations as made to the Subcommittee in the preceeding Summary Statement.

The American-Romanian Cultural Foundation is convinced that further extension of MFN tariff status to Romania as provided by the Trade Act is completely justified, vital to all concerned and has far-reaching impact on all areas of our foreign policy. Therefore it is of prime importance to America's best interests that this close relationship not only be continued but also expanded.

MFN since granted to Romania has been the key element that enabled America and Romania to first establish and maintain an open dialogue in trade matters that soon led to development of similar high levels of mutual trust, respect and cooperation. This high degree of mutual trust, respect and cooperation was then expanded to include discussions and activities in very sensitive areas such as political, social, security and human rights. This close relationship between America and Romania has continued to expand and not only has it directly and indirectly benefitted America and Romania but has also benefitted all of mankind. Therefore, it is clearly in America's best interests that this relationship between America and Romania be continued and that further extension of MFN tariff status be granted to Romania.

One of the most important and significant elements supporting MFN extension is the close similarity of America's and Romania's foreign policy. When considering this point it must be recognized that this similarity exists even though Romania is an Eastern European nation that is a member of the Warsaw Pact, has a political, social, cultural and economic structure that is completely different from America's and that this Romanian foreign policy is formulated and carried out dispite enormous pressures and objections from Moscow. Everyone recognizes Moscow's design and pressure that the Warsaw Pact nations follow only that foreign policy developed and provided by Moscow and that Moscow strongly disapproves any actions by a nation to develop its own.

Some of the major similarities in foreign policy include critical items such as encouraging every nation's people to establish and preserve their own independence as a soverign nation; encourage a country's people to resolve in a non-violent manner their own internal problems without fear of intervention by outside forces; encouraging each country's citizens to elect their own form of government; helping others to improve their standards of living, etc. Our government representatives in past hearings mentioned that both Romania and America worked closely on many such problems in various countries and that they were convinced by Romania's performance and cooperation that Romania is seriously and sincerely committed to this similar type of foreign policy. We must properly value all benefits available from this relationship as we have no similar relationship with another Warsaw Pact nation.

Many will correctly mention that there are foreign policy areas in which America and Romania differ in their approach. We naturally agree but must at the same time also point out that we presently agree on many of the most vital and important policies and that having an open dialogue on all subjects, discussions in the future may result in our successfully convincing Romania that changes in some of these other areas would be beneficial to Romania in its relations with America and other nations. What must be clearly recognized and accepted is the fact that much has been accomplished as a result of and since MFN was first granted years ago and much more may still be realized in future years by preserving and expanding our present relationship established via MFN and other related commercial agreements.

In the foreign policy area we recognize Romania's efforts in many areas such as its efforts and major contributions in establishing and implementing the Camp David agreement, continuing its efforts to help resolve in a non-violent manner other problems in the Middle East as well as other areas of the world; disarmament and limitation on weapons an military capabilities/levels. Also recognized is Romania's efforts and participation at the UN and worldwide for disarmament, helping nations feed its hungry populations, aid to refugees, etc. These efforts that materially contribute to world peace obviously benefit all Americans as well as the remainder of mankind. We must also give credit to Romania for its condemnation of Russia's invasion of Afghanistan, its firm policy to not provide weapons, munitions and military advisors to El Salvador or any other nation in crisis and its efforts aiding underdeveloped nations in resolution of their problems.

In summary on this major point, there are many obvious important benefits to America, Romania and all mankind because of the many similarities in foreign policies. We also as proven by past performance by Romania can rely on Romania's sincere continuing effort along these same policies and Romania's cooperation in joint efforts with America and other free nations having similar foreign policies. Securing such cooperation, support and similarity in foreign policies is the major objective of America's foreign policy and is realizing success in America's relations with Romania.

2. Since MFN was first granted to Romania under the Trade Act amended by the Jackson-Vanik Amendment, considerable concentration has been given to the subject of Romanian emigration. This attention has been given by the State Department as well as by many other government and non-governmental bodies concerned with this subject. This is a very difficult subject to properly moniter in detail and we therefore recognize our State Department as being the best qualified to monitor and report progress. We also feel that the State Department's efforts have not been properly appreciated and recognized by all concerned with this problem.

We agree with and feel that our State Department is correct in stating that overall emigration from Romania has increased significantly since MFN was granted several years ago. This official government position is supported by statistics utilized by both governmental and private groups concerned with progress and performance in this most sensitive area.

We also recognize the State Department's position that MFN has had a very significant impact on this sensitive area and is primarily the result of our State Department being able to openly and candidly discuss and suggest changes to Romania's emigration policies and practices. Some changes have been incorporated as a result of this relationship with America and continuation of MFN and related commercial agreements will permit this constructive action by both parties to continue toward realization of additional changes in the near future.

We do believe that many concerned with this problem do not properly recognize the conditions under which our State Department operates on this and other sensitive subjects. As stated by the State Department, Romania does not encourage emigration but does permit emigration to take place; America's and Romania's social, cultural and political systems are completely different; Romania's rapid industrial growth created a severe shortage of people as it significantly outpaced the growth in population; we do not dominate Romania and therefore cannot impose our values; and in cases such as emigration from Romania to Israel, the United States is really a third party that tries to moniter and encourages both Israel and Romania to deal effectively with the subject of emigration of Romanians to Israel.

To summarize on this sensitive issue, MFN has worked and such is evidenced by the significant overall increase in emigration from Romania, American suggested changes being incorporated by the Romanian government and continuation of constructive discussions still being carried out by both parties. If anything has been proven by performance it is that MFN not only works but it is vital that further extension be granted to Romania.

We should also recognize that Romania's sincere cooperation proved to the world that America's Trade Act with the Jackson-Vanik Amendment can work to the benefit of all concerned.

3. The second major area and overall objective of MFN is the status of trade between America and Romania. This has been an area enjoying overwhelming success as a result of MFN being granted to Romania. Since MFN was granted, trade has grown significantly each year with the one billion dollar trade level being surpassed in 1981. All projections are that this trend will continue and may possibly increase at a much faster pace as a result of increased sales of agricultural products.

It is important to note that America has consistently enjoyed a very large favorable surplus in its balance of payments with Romania and that this favorable surplus position will be realized for many years into the future.

Another factor to be considered is that trade with Romania has not had an unfavorable impact on American jobs but in reality had a very favorable impact by creating jobs for Americans. It is usually recognized that 1 out of 5 American jobs are created by American exports to other countries and that Romania's purchases of American items represented in 1981 a export value of approximately $722 million of the total $1,034 in trade.

We must also recognize that the imports from Romania included a very wide assortment of goods with the result being that no one category had any significant impact upon America's markets and workforce. In the case of exports from America, the two major categories were agricultural and industrial goods which are from American industries having persistent surplus goods as well as unemployment. American exports to Romania created jobs and helped to absorb these surpluses.

We should also respect our Commerce Department's consistent position that further extension of MFN to Romania is justified by its performance to all commercial agreements with America. This satisfactory performance indicates and demonstrates Romania's sincere commitment to perform as it has committed itself to America.

To summarize on this particular point, MFN has very successfully performed and succeeded in realizing a very favorable position for America. The trade level in excess of 1 billion dollars is significant and having a very favorable balance of payments position for America, is definitely needed by America to help create jobs for its workforce, earn a significant favorable balance of payments position and aid in successful performance of our foreign policy program in Romania, Eastern Europe and other areas of the world. We consider trade and its many varied benefits to America as in itself completely justifying further extension of MFN tariff status to Romania.

4. We must also recognize the face that America is Romania's second largest trading partner and that withdrawal of MFN tariff status for even a short period will have devastating effects on Romania's economy and America's position in international circles. America cannot permit this to happen.

America has a major influence on Romania's fragile economy that has been built over the years with concentration on economic relations between Romania and America and other Western European nations. This structure of Romania's economy was developed by Romania in response to urgings to do so that were advanced by America and other Western European nations and was accomplished at the expense of its trading partners in the Warsaw Pact. To abruptly sever our trading relationship with Romania via withdrawal or deferral of MFN extension could create serious economic problems that may force Romania to seek economic help from Moscow. Such help will most likely be given but the obvious price demanded by Moscow would most likely be surrender of Romania's position as a sovereign state, acceptance of Moscow's dictated domestic and foreign policy and acceptance of Russian troops on Romanian soil to enforce these changes.

In addition to loss of a close supporting friend in Romania, we would also suffer considerable damage to our integrity, prestige and influence over other nations—especially the smaller undeveloped nations. We must recognize that to a large degree we are responsible for Romania's dependence upon America and with this is a very serious responsibility to not desert Romania. America offers the assurances that it will support and not desert any nation that cooperates and indicates a sincere desire to remain on good friendly terms with America. This is part of our foreign policy to which we are committed and must abide with.

Our State and Commerce Departments have not, to our knowledge, ever provided any evidence and recommendation that we recognize Romania as being an undesirable associate because of Romania's actions to breech our agreements, etc. Therefore we consider Romania as having earned extension of MFN tariff status, it should be granted and America can continue to enjoy the confidence and respect from other smaller nations that America will not desert its friends.

5. Our detailed discussion does not include many additional justifications for extension of MFN to Romania as these are all favorable, known to those who moniter this subject and while important, may be considered of lesser important than those discussed in this statement. They are also fully discussed by the State and Commerce Departments in their submittals and testimony to this Subcommittee.

SUMMARY

In conclusion, we strongly recommend continuation of MFN tariff status for Romania. The overall basis for our recommendation is that such extension is clearly in the best interests of America to do so and that such will generate benefits for not only America but also significant benefits for Romania and all mankind. To not do so after Romania has satisfactorily performed and expressed a sincere desire to continue its relationship with America would result in severe damage to America's position worldwide and especially to our foreign policy program directed at small nations worldwide.

Chairman **Gibbons**. Thank you, sir.

And now my friend Mr. Merdinger.

STATEMENT OF EMANUEL MERDINGER, PROFESSOR, UNIVERSITY OF FLORIDA

Mr. **Merdinger**. Thank you, Mr. Chairman.

I am Dr. Emanuel Merdinger, a biochemist, distinguished professor at the University of Florida, Gainesville, Fla.

Thank you for the privilege to appear for the eighth time before you and your committee to request the extension of most-favored-nation status for Romania, our best friend among the Warsaw Pact nations. I have given much time and effort to work for friendly relations that are beneficial to both Romania and the United States.

I wish to thank President Reagan for recommending to Congress that MFN status for Romania be extended for another year.

Now a few points regarding emigration from Romania. In 1982, 20,000 Romanians emigrated worldwide, and 2,500 came to the United States. Between September 1982 and March 1983, Jewish emigration to Israel doubled as compared to the same period in 1981 and 1982. Today in Israel there are 350,000 Romanian Jews. This is an impressive number if we consider that the population of Romania is 22 million.

With regard to religious freedom, I can relate my own experiences. In the last decade when I was five times an exchange scientist to the Romanian Academy of Sciences from our National Academy of Sciences, and a participant in several international congresses and symposia in Bucharest, my wife and I attended religious services. My wife, a born American, is Baptist, and I am Jewish. We went to the main Baptist church on Sundays and to the Jewish services on holidays. We talked with persons there and were assured that there are no religious restrictions, as we could observe by ourselves.

We obtained an audience with the Vice Minister or Vice Director of Religion and Cults in the presence of three Baptists and one Jew. My wife asked the minister tough questions, putting him on the spot. The minister answered frankly that people are free to attend churches, but party members are not encouraged to do so. This was confirmed by other people. In 1980, at the Baptist Church, we visited with the pastor in his office, and our pictures were taken by some member of the church. The pastor had no complaints. He told us that he had received 5,000 Bibles from the West, and he distributed them among 1,000 Baptist churches.

We also visited with the chief rabbi in Bucharest and with two presidents of Jewish communities, one in Bucharest and the other in Iassy. In all places we heard no complaints.

Regarding the emigration of Romanians, I wish the Romanian Government would promptly and positively answer all applications to emigrate. But the Romanian social structure is quite different from that in the United States, and one has to consider the plan of the economy. Every phase of the economic, cultural, and social life is carefully planned. There is a definite number of students which can be admitted yearly at the few universities to meet the needs of the country. In every department, there are 18 applicants for 1 available place. The Government expects that after graduation, students will stay in Romania. Otherwise admission would not be possible. Students do not pay any tuition. Therefore, after graduation, they have an obligation to the Government which has paid for their education.

The emigration of educated young people drags down the economy and opens a vacuum hard to fill.

Last, I consider that President Ceausescu tries indefatigably to mediate peace among nations and does many services for the United States. I urge that MFN status for Romania be extended.

One more word, Mr. Chairman. As a jurist you will remember the Latin quotation, "Audiatur et altera pars."

I have listened with great interest to Senator Huff and the minister about the destruction of the church, and I would like to relate—it will take me 1 minute—what I had in mind to say. During my 1 year in Romania as an exchange scientist, I noticed in certain parts of the city beautiful, sound houses were destroyed by a bulldozer because these were destined to be replaced with what they called blocks, high rise buildings. Today in these places where I saw these homes destroyed, a professor, a good friend of mine, lived. He complained and he cried that he had to leave his home. Today he lives in that proud skyscraper.

I do not want to accuse anybody of anything, but this was my experience. All these tremendous areas of blocks in Bucharest and in other parts of Romania today were previously occupied by small homes. They had to go if progress were to take place.

Thank you very, very much, Mr. Chairman, and esteemed committee.

Chairman GIBBONS. Mr. Frenzel.

Mr. FRENZEL. Mr. Chairman, I have no questions.

Chairman GIBBONS. We appreciate very much you gentlemen coming here. We know you have come a long way and at your own expense to tell us your story. We thank you very much.

Our next panel is from the American-Hungarian Federation, Mr. Szaz; and then from the Committee for Human Rights in Romania, Mr. Hámos; and the Coordinating Committee on Hungarian Organizations in North America, Mr. Gereben.

Go right ahead. Mr. Szaz, you are first.

STATEMENT OF Z. MICHAEL SZAZ, PH. D., SECRETARY OF INTERNATIONAL RELATIONS, AMERICAN-HUNGARIAN FEDERATION AND MEMBER, INTERNATIONAL RELATIONS COMMITTEE, TRANSYLVANIAN WORLD FEDERATION

Mr. SZAZ. Thank you, Mr. Chairman.

I am the secretary of international relations of the American-Hungarian Federation, and it is a pleasure to be here again to testify on the Romanian MFN status.

For the 2½ million Hungarians in Transylvania, the period between July 1, 1982, and June 30, 1983, stood in the sign of rising opposition of Hungarian intellectuals against the Ceaucescu regime. This resulted in imprisonment and beatings of some of them, and finally their release as a result of international pressure, including a letter to President Ceausescu by Representative Don Ritter and 59 of his colleagues on December 20, 1982.

The arrests occurred after the samizdat publication of "Ellenpontok," September 1982 issue which published a memorandum to the Madrid Review Conference of the CSCE and a lengthy program proposal outlining the grievances of the Hungarians and suggesting ways and means for ameliorating the conditions in the spirit of the guarantees given in the Romanian Constitution and obligations assumed by the Romanian Socialist Republic in the Helsinki Declaration on August 1, 1975, and in the International Covenant for Civic and Political Rights.

The aim was to bring the two nationalities of Transylvania, the Hungarians and Romanians, closer together, a process that must include complete equality between them and mutual care for their historical and cultural traditions. Thus, this program was not incendiary but irenic.

Yet, the reply of the Romanian Government was to unleash the secret police on the assumed authors, interrogate them, and abuse them for a week. For example, much of the hair of the young philosopher Attila Ara-Kovacs was torn out and Geza Szocs was so badly beaten that he could hardly walk upon his release.

Yet, Mr. Chairman, their spirit could not be broken by the beatings of the Romanian secret police. Shortly after their release and in March 1983, Attila Ara-Kovacs and others issued statements protesting the policies of the regime as a whole. These statements he has succeeded in smuggling to the West and they appeared in several publications. Thus, the brave but difficult undertaking of the Hungarian intellectuals in Transylvania continues, despite brutal measures of suppression practiced against their leaders by the Romanian secret police.

Mr. Chairman, the memorandum and the program proposal of the "Ellenpontok" clearly exposes the mendacity of the Romanian Government propaganda, which avers that only fascist exile organizations are trying to make trouble between the two nationalities by criticizing the Romanian nationality policies.

The nationally known poet, Geza Szocs, one of the leaders of the intellectuals, has now become a nonperson in Romania, having exposed that the emperor has no clothes.

Yet the cry for help is not restricted to Geza Szocs, Attila Ara-Kovacs and his colleagues, nor to the silenced leader of the Hungarians in Romania, Karoly Kiraly. Many of our individual members traveling to Transylvania are bringing back stories of near starvation, atrocities, and the news of the systematic settlement of Romanians in the Hungarian regions, and about a steady elimination of Hungarian sections on Romanian schools. They speak of mysterious deaths, either by car accidents on empty highways or in the hospitals of the country, of those who dare to defy the regime that makes General Jaruzelski's martial law look like a democracy.

President Ceaucescu has now succeeded in alienating, perhaps irreversibly, the Hungarians of Transylvania and simultaneously he is knocking on our doors for an extension of the MFN status.

Small wonder that many of your colleagues in the House are still suspicious of approving the extension, although the State Department now maintains that Congress no longer can veto the President's request in view of the Supreme Court ruling on legislative veto. I believe that this interpretation is a rather narrow one.

The American-Hungarian Federation and the Transylvanian World Federation take the position that the MFN status should not be renewed unless concrete measures are taken by the Romanian Government to alleviate the repression of the 2½ million Hungarians in Romania before the extension goes into effect.

Secretary Shultz's brave stand in opposing the illegal emigration tax had forced the Romanian Government—of course, only after they blackmailed West Germany to the amount of 132 million D-mark—to abandon the injurious decree which asked United States citizens to pay ransom for their relatives. It is our opinion that a similar approach would result in improvements of the human and cultural rights of the Hungarians in Romania and further their right to self-determination, for without the latter no permanent solution of the question will be possible.

Apparently, our stand is increasingly adopted by the members of the House as well. A letter written to Secretary Shultz on July 12, 1983, by Representative Don Ritter was signed by 218 other Members of the House, requesting the Secretary to add to his negotiating agenda the persecution of the 2½ million Hungarians and their churches in Romania in the nearest future.

Mr. Chairman, may I have the permission to add at the end of my testimony, to put in a copy of the letter into the record.

Chairman GIBBONS. Very good.

Mr. SZAZ. Mr. Chairman, without progress toward religious rights for all and without remedying the human, cultural, and self-determination rights of the 2½ million Hungarians in Romania, our policy toward Romania by extending the MFN status would be exposed as a pious fraud of the principles this country was built on and stands for: freedom, democracy, and equality before the law.

The American-Hungarian Federation and the Transylvanian World Federation repeat their call to the subcommittee as well as to the State Department to insist upon talks and concrete measures before an extension of the MFN status, and in doing so it also echoes the basic sentiments of the 219 Members who had endorsed the concept of talks and concrete measures in their letter to Secretary Shultz.

Thank you, Mr. Chairman.

Chairman GIBBONS. Thank you.

And now, Mr. Hamos.

STATEMENT OF LASZLO HAMOS, CHAIRMAN, COMMITTEE FOR HUMAN RIGHTS IN ROMANIA

Mr. HAMOS. Mr. Chairman, I would like to express our gratitude to the subcommittee for scheduling these hearings and for continuing to keep the spotlight of publicity on the human rights performance of the Government of Romania. This is the eighth consecutive hearing in which the Committee for Human Rights in Romania is submitting a statement to this subcommittee and in which I am appearing here as a witness.

In each of the previous years, we presented detailed evidence of a systematic campaign by the Romanian Government to destroy the cultural identity of that country's Hungarian minority, numbering 2½ million people. This process is aimed at denationalizing the minorities and forcing their assimilation into the majority population.

The Romanian Government, beyond using its pervasive control over every facet of community life, has in recent years increasingly resorted to sheer terror tactics—arrests, savage beatings, imprisonment, interrogations, forced psychiatric treatment and exile—in order to intimidate the more and more resentful minority population.

One major recent development has been the regular publication of a clandestine Hungarian language samizdat periodical entitled "Ellenpontok," or "Counterpoints" in English. The eighth issue of "Counterpoints," published in September of last year, consisted of a memorandum and program proposal addressed to participants of the Madrid Conference reviewing implementation of the Helsinki Final Act. Attached to our written statement, Mr. Chairman, as Appendix B is a translation of these two revealing documents, which serve as the most authentic possible testimony to the ruthless and ongoing oppression of the Hungarian minority in Romania.

On November 6 and 7, 1982, following the publication of the memorandum and program proposal, the Romanian secret police unleashed a campaign of terror against Hungarians in Transylvania. On those days more than a dozen Hungarian intellectuals in the cities of Kolozsvar (Cluj) and Nagyvarad (Oradea) were arrested on suspicion of being connected with "Counterpoints" and interrogated for varying lengths of time, in some cases with ruthless brutality.

The interrogation of Karoly Toth, a science teacher and writer from Nagyvarad, for example, lasted for 4 continuous days and nights, during which he was handcuffed, kicked, his head was beaten against the wall, and his hair was pulled out. His head and neck were beaten mainly by hand, and his entire body was flailed with rubber truncheons.

Another victim, the poet Geza Szocs from Kolozsvar, was hospitalized for several weeks as a result of his treatment at the hands of his interrogators.

Attila Ara-Kovacs, a philosopher from Nagyvarad, was subjected to a 48-hour interrogation without food or drink, during which he had to listen to the beating of Karoly Toth and his cries for help in the adjacent room.

Despite the violence perpetrated against them, these three particular victims later openly and courageously declared themselves editors of "Counterpoints" and authors of the memorandum and program proposal.

Mr. Chairman, three more recent cases, the alarming disappearance of three prominent Hungarian intellectuals in Transylvania, merit serious attention on the part of this subcommittee. Two of the individuals, both residents of Csikszereda (Miercurea Ciuc), are Erno Borbely, secondary school history teacher, and Katalin Biro, architect.

After house searches in their apartments on November 23, 1982, they were taken away and never seen again. According to unconfirmed reports, they were tried in secret by a military court in Bucharest and sentenced to life imprisonment. It is not known what the charges were or what the evidence against them may have been. But what is known is that these two are outspoken members of the Hungarian minority and they engaged in activities promoting Hungarian culture.

The third such disappearance occurred on February 24th, 1983, in Sepsiszentgyorgy (Sfintul Gheorghe). Arpad Visky, a well-known

Hungarian actor, was arrested after he challenged the right of two strangers to be present at a private gathering of actors after a performance in the local theater. The two would-be intruders turned out to be members of the secret police and they arrested him.

After interrogating and releasing him, he was shortly rearrested and he has not been seen since. According to one report, he too was sentenced by the same military tribunal in Bucharest to 6 years at hard labor.

Mr. Chairman, the fate of these three people is solely the result of their being Hungarians living in Romania today. The welfare—indeed, the lives—of these three human beings is in the balance. This is an area in which this subcommittee can have a direct impact.

Chairman GIBBONS. I am sorry. Debate is going on now on the bill that I am responsible for, and I will have to recess this meeting. I would ask all of you to keep in contact with our staff, and as soon as I can return from the House floor I will.

[Whereupon, the subcommittee was recessed.]

Chairman GIBBONS. If you would return to the stand. Go right ahead, please, sir.

Mr. HAMOS. Thank you.

Mr. Chairman, I had been relating the recent disappearance of three Hungarian minority intellectuals in Romania: Erno Borbely, Katalin Biro, and Arpad Visky. We believe that the fate of these three people is solely the result of their being Hungarians in Romania today. The welfare, indeed the lives, of these three human beings is in the balance.

This is an area in which this subcommittee can have a direct impact.

Chairman GIBBONS. When did they disappear, do you know?

Mr. HAMOS. The first two individuals, Katalin Biro and Erno Borbely, had their houses, apartments, searched on November 23, 1982, and they were taken away then and never seen again. Arpad Visky, the third individual, disappeared on February 24 of this year.

Chairman GIBBONS. Do you know who searched the apartments?

Mr. HAMOS. Romanian police, the state security police.

It is furthermore clear that these disappearances are not isolated instances, but part of a general campaign to terrorize the Hungarian minority into submission. This courageous population, struggling against overwhelming odds to preserve the identity which is its birthright, is deserving and in need of the support of the United States.

In closing, Mr. Chairman, let me say that the Romanian Government, for its abusive actions during this past year alone, has more than earned a termination of its most favored nation status. The attempted assassination in Paris of the Romanian writers Paul Goma and Virgil Tanase on direct orders from President Ceausescu, and the imposition of an emigration tax, for the sole purpose of rescinding it in a grand gesture in order to retain MFN status, are further indications that we are dealing with a cynical and manipulative Balkan despot. The primary victims of that despot, Mr. Chairman, are waiting for an effective expression of support from this subcommittee.

Thank you.
[The prepared statement follows:]

STATEMENT OF THE COMMITTEE FOR HUMAN RIGHTS IN ROMANIA

STATEMENT

Mr. Chairman, the Committee for Human Rights in Rumania thanks this Subcommittee for scheduling these hearings, thereby continuing to keep the spotlight of publicity on the human rights performance of the government of Rumania. The events of the past 12 months have shown with particular clarity how important it is to pay continuous and close attention to the human rights situation in that country. In the interest of maintaining and increasing the impact of this process, we hope that the recent Supreme Court decision in INS v. Chadha will be promptly reviewed by legislation restoring and strenghtening Congress' role in Jackson-Vanik implementation.

This is the eighth consecutive year in which the Committee for Human Rights in Rumania is submitting a statement to this Subcommittee and I am appearing here as a witness. In each of the previous years, we presented detailed evidence of a systematic campaign by the Rumanian government to destroy the cultural identity of the country's Hungarian minority, numbering 2.5 million, through curtailment of its opportunities to preserve its language, traditions and religious life. This process is aimed at denationalizing the minority population and forcing its assimilation into the majority population. The Rumanian government, beyond using its pervasive control over every facet of community life -- its monopoly over every kind of organized activity -- has, in recent years, increasingly resorted to sheer terror tactics: arrests, savage beatings, imprisonment, interrogations, forced psychiatric treatment and exile, in order to intimidate the more and more resentful minority population.

Continued Oppression of Minorities in Rumania

One major development which occurred since the hearing last summer has eliminated the need for us to present our own compilation of abuses. Since December 1981, a clandestine Hungarian-language "samizdat" periodical entitled Ellenpontok (Counterpoints) has been published in Rumania. To date, ten issues of this substantive, crudely mimeographed publication have appeared, prepared and disseminated within Rumania under extremely dangerous circumstances (for a listing of the issues, see Appendix G, p. A-39). It is indicative of the severity of oppression in Ceausescu's Rumania that the journal is the first -- and so far only --

underground publication ever to appear regularly in that country in any language. The eighth issue of Counterpoints, published in September of last year, consisted of a "Memorandum" and "Program Proposal" addressed to the participants of the Madrid Conference reviewing implementation of the Helsinki Final Act. Attached to this statement as Appendix B (pp. A-2 to A-15) is a translation of these two revealing documents which serve as the most authentic possible testimony to the ruthless, ongoing oppression of the Hungarian minority in Rumania. The protests were written by intellectuals who -- characteristically -- then fell victim themselves to the terror of the Ceausescu regime.

The "Program Proposal" lays bare the major grievances of the Hungarian minority, and confirms the facts and conclusions with which we have turned to this distinguished body year in and year out. Those grievances as they appear in the "Program Proposal" can be summarized as follows:

- Contacts with individuals and cultural institutions in Hungary are impeded and, in some cases, completely prohibited.
- Within Rumania, Hungarian-language educational and cultural institutions have been dismantled, and minorities are not allowed to form any organization to safeguard and enhance their heritage.
- Minority representation in governmental bodies is sorely inadequate, particularly at leadership levels in areas most affecting the minorities.
- The ethnic composition of Transylvania is being systematically altered through the massive and forced resettlement of peoples.
- The ethnic identity of Hungarians in Rumania is regularly denigrated through the falsification of history, curtailment of educational and publishing opportunities and a wide range of repressive measures.
- Use of the Hungarian language is suppressed.
- Hungarians are subjected to employment discrimination.
- Hungarian historical monuments and relics of the past are torn down or defaced, and historic city-scapes in Transylvania are altered to erradicate their true historic nature.
- Contact between the Hungarians of Moldavia (the Csángós) and the rest of the Hungarian people is prohibited, as is any expression of the Csángós' true national identity.
- Minorities lack any forum for redress against these wrongs.

It was after the appearance of this eighth issue of Counterpoints -- and its smuggling to the West -- that Hungarian minority intellectuals were subjected to a brutal wave of terror which continues to this day.

Brutal Repression of Minority Dissent

From its inception in December of 1981, Counterpoints dealt in a constructive and sober fashion with minority oppression and the broad range of human rights abuses which plague every citizen of Rumania today. Typically, the Rumanian authorities' response has not been to address the complaints which were raised, but to confiscate the typewriters with which they were set to paper. During a series of house searches commenced in November 1982, for example, typewriters were routinely expropriated from the homes of Hungarian intellectuals (Appendix C, pp. A-16 to A-21). More recently, the government has instituted a decree requiring that all typewriters in the country be registered and prohibiting the possession or use of typewriters by those who "pose a danger to public order or state security" (The New York Times, April 14, 1983).

The third issue of Counterpoints dealt extensively with the Rumanian-language book Cuvint despre Transilvania (A Word about Transylvania) by Ion Lancranjan, published in 1982 and widely distributed in Rumania. Its appearance clearly signaled a new departure in Rumania's efforts to falsify history and stigmatize its minority population. The book is a primitive, romanticizing tract, which appeals to the basest kind of chauvinist nationalism. In it the Hungarians are portrayed as inferior to the Rumanian people, who should consider minorities as little more than "barbarian intruders." According to one of the articles appearing in the third issue of Counterpoints, the book incites such hatred of Hungarians that it lays the ideological groundwork for fascism, all the more since it could only have been published and distributed with the blessing of the state. Counterpoints No. 3 also reports on two memoranda of protest, signed by numerous Hungarian intellectuals and sent to President Ceausescu (see Appendix A). Of course, no action was subsequently taken by the authorities either to stop distribution of this repulsive book or to counter its effects on the Rumanian population.

On November 6 and 7, 1982, following the publication of the Counterpoints Memorandum and Program Proposal to the Madrid Conference, the Rumanian secret police unleashed a campaign of terror against Hungarians in Transylvania. As reported in a later "Special Edition" of Counterpoints (translated in its entirety as Appendix C), on those days more than a dozen Hungarian intellectuals in the cities of Kolozsar and Nagyvarad were arrested on suspicion of being connected with Counterpoints and interrogated for varying lengths of time, in some cases with ruthless brutality. The interrogation of Károly Tóth, science teacher and writer from Nagyvárad, for example, lasted -- with two perfunctory interruptions -- for four continuous days and nights, during which "he was handcuffed, kicked, his head was beaten against the wall, and his hair was pulled out. His head and neck were beaten mainly by hand, and his entire body was flailed with rubber truncheons; the bloody marks were still visible two weeks later" (p. A-18). Another victim, the poet Géza Szőcs from Kolozsvár, was hospitalized for several weeks as a result of his mistreatment at the hands of his interrogators (p. A-17). Attila Ara-Kovács, a philosopher from Nagyvárad, was "subjected to a 48-hour interrogation without food or drink, during which he had to listen to the beating of Károly Tóth and his cries for help in the adjacent room" (p. A-18). After being let home for a few hours, Ara-Kovács's interrogation continued for another two days. Despite the violence against them, these three particular victims later openly and courageously declared themselves editors of Counterpoints and authors of the Memorandum and Program Proposal (Appendix E, p. 23). In addition to them, dozens of leading intellectuals were subjected to similar harassment and intimidation, including the fifteen individuals named in the Counterpoints "Special Edition" (pp. A-19 to A-20).

It is revealing of the callousness of Rumanian officials that when the staff of the Senate Foreign Relations Committee inquired about Géza Szőcs at a time when his whereabouts were not known, the reply was a bare-faced denial that he had ever even been taken into custody (see Human Rights Issues in U.S. Relations with Romania and Czechoslovakia, U.S. Senate Foreign Relations Committee Staff Report, April 1983, p. 21).

Mr. Chairman, three more recent cases, the alarming disappearance of three prominent Hungarian intellectuals in Transylvania, merit serious attention on the part of this Subcommittee. Two of the individuals, both residents of Csikszereda, are Ernő Borbély, secondary school history teacher, and Katalin Biró, architect. After house searches in their apartments on November 23, 1982, they were taken away and never seen again. According to unconfirmed reports, they were tried in secret by a military court in Bucharest, and sentenced to life imprisonment. It is not known what the charges were or what the "evidence" against them may have been. What is known is that these two are outspoken members of the Hungarian minority and they engaged in activities promoting Hungarian culture. The third such disappearance occurred on February 24, 1983 in Sepsiszentgyörgy. Árpád Visky, a well-known Hungarian actor, was arrested after he challenged the right of two strangers to be present at a private gathering of actors after a performance in the local theater. The two turned out to be members of the secret police, and they arrested him. After interrogating and releasing him, he was shortly rearrested and has not been seen since. According to one report, he too was sentenced by the same military tribunal in Bucharest to six years at hard labor.

Mr. Chairman, the fate of these three people is solely the result of their being Hungarians living in Rumania today. The welfare -- indeed the lives -- of these three human beings is in the balance. This is an area in which this Subcommittee can have a direct impact. The Rumanian authorities can and must be called to account for these people. Furthermore, these disappearances are not isolated. They are part of a general campaign to terrorize the Hungarian minority into a submission aimed at its annihilation as a distinct nationality group. This courageous population, struggling against overwhelming odds to preserve the identity that is its birthright, is deserving and in need of the support of the United States.

In closing, Mr. Chairman, let me say that the Rumanian government, for its abusive actions during this past year alone, has more than earned a termination of its Most Favored Nation status. The attempted assasination in Paris of the Rumanian writers Paul Goma and Virgil Tanase on direct orders from President Ceausescu (p. A-31), and the imposition of an emigration tax for the sole purpose of rescinding it in a "grand gesture" in order to retain MFN status, are further indications that we are dealing with a cynical and manipulative Balkan despot. The primary victims of that despot, Mr. Chairman, are waiting for an effective expression of support from you.

APPENDIX A

PROTEST PUBLISHED IN THE SAMIZDAT PERIODICAL "ELLENPONTOK" (COUNTERPOINTS), NO. 3, "ASSEMBLED AND DISSEMINATED IN TRANSYLVANIA, MAY 1982"

WE PROTEST!

The outraged reaction elicited by the Lancranjan book* -- and the fact that the forces responsible for its publication overextended themselves -- are well illustrated by the fact that the Transylvanian Hungarian intelligentsia has now, for the first time, chosen the route of collective protest and assumed the risks involved in such protest. While there have been past cases in which individuals (e.g.: [Károly] Király, [András] Sütő, [Lajos] Takács) have submitted protests to the Party leadership regarding various collective grievances or human rights violations, this is the first instance of an organized, group protest. The intellectuals, who were (and are) commonly believed to have allowed their honor to be purchased at a ridiculously low price, have in this case acted according to the dictates of their conscience by sending two protest documents to the Central Committee of the R[umanian] C[ommunist] P[arty], or more precisely, to [President Nicolae] Ceausescu himself.

The two documents are the result of separate initiatives. First, at the beginning of May, intellectuals in Cluj (Kolozsvár) signed a protest memorandum. The majority of the fourteen signers are reportedly established writers, philologists and critics, with the remainder consisting of other intellectuals.

For the time being, the names of the signers are being kept secret. All that has leaked out is that the two who initiated and organized the protest are Géza Szőcs and Marius Tabacaru, a piano teacher and the only Rumanian intellectual whose name appears on both protest documents.

A few days after the Cluj (Kolozsvár) protest, another document, similar in content but longer and more detailed, was prepared in Tirgu Mures (Marosvásárhely), supposedly at the initiative of András Sütő. This memorandum was signed by thirty-six intellectuals, some of whom had already signed the prior Cluj (Kolozsvár) protest.

Both memoranda bring to light those statements in the Lancranjan book which are irreconcilable with the Party's officially proclaimed minority policies, and with the Constitution.

The number of signers could have been greater, had the organizers not decided upon quick, almost conspiratorial action, in order to complete and submit the protest documents before the state security apparatus learned of their existence.

So far, the state security apparatus has exhibited only its annoyance, and they have not slammed down on anyone yet. They are probably awaiting a decision in the matter by the Party. So are we.

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* Lancranjan, Ion. Cuvint despre Transilvania (A Word About Transylvania). Bucharest (Sport-Turism), 1982.

APPENDIX B

MEMORANDUM AND PROGRAM PROPOSAL

TO
PARTICIPANTS OF THE MADRID CONFERENCE
ON SECURITY AND COOPERATION IN EUROPE

FROM
EDITORS OF THE SAMIZDAT PERIODICAL
"ELLENPONTOK" (COUNTERPOINTS)

TRANSYLVANIA, SEPTEMBER 1982

MEMORANDUM
to the participants of the Madrid Conference reviewing adherence to the provisions of the Helsinki Final Act.

In the interest of the survival of the approximately two million Hungarians in Rumania, we appeal to the peoples of the states represented at the Madrid Conference. Perhaps there is still time to halt the process, induced by the policies of the Rumanian government, which is threatening our very existence as a nationality.

The forced Rumanianization of Transylvania and the suppression of our culture are being carried out with unprecedented vehemence. Masses of Rumanians from beyond the Carpathian Mountains are being resettled into regions with a predominantly Hungarian population and into purely Hungarian communities, mainly cities. At the same time, according to official nationwide population statistics, the number of Hungarians remains stagnant. The Hungarian-language school system is gradually being destroyed. More and more obstacles are created to hinder the publication of Hungarian books and periodicals. Our language, in truth, has been forced out of public life entirely. The effort to seclude us from Hungarians living elsewhere is being carried out with increasing vigor. (Relations between Hungary and Rumania are at a sub-minimum level in all respects.)

All conceivable means are employed to thwart the natural development of our identity. Successive Hungarian generations are brought up in an atmosphere of chauvinism which denigrates our heritage and preaches the superiority of Rumanian history and culture, without allowing those Hungarians an opportunity to learn about their own ethnic background, or even the true history of Transylvania. The state powers treat us, especially intellectuals and workers, as if we were the enemies within. Terror on the part of the security forces is the order of the day. If we speak out in defense of our heritage, it is we who are called chauvinists. We live as second-class citizens in Rumania, whose possibilities for career advancement are also limited by the fact that we are Hungarian.

We lack any means of self-protection. The individual is defenseless in the face of the tyranny of the state, and since 1949 -- when the Hungarian People's Alliance was liquidated -- there has been no organization to safeguard our collective interests. Thus, our situation is characterized by the denial of not only our individual rights, but our collective rights as well, which two sets of rights are inseparable in our case.

The fact that existing international agreements do not deal with the collective rights of minorities bears profoundly upon the possibilities for bringing about a change in our situation. The focus on individual human rights, which constitutes the prevalent approach to this problem in the international arena, fails to take into consideration the shared values critical to a national minority as a collective entity -- values which evolved through tradition and are carried on through a national minority's unique culture and the group identity of its members. These values would require special legal protection. While for the majority -- due to its larger size and dominant position -- the medium for the expression of its unique values exists as a natural given, for the minority to achieve the same purpose would require a means of collective self-protection. For this reason, regardless of the underlying motive, the effort to secure human rights for minorities, without taking into account their nature as collective entities, can actually place them at the mercy of the majority.

Having taken the above into consideration, we believe that in order to alter our present deprived condition, it would be of fundamental importance that the international agreements reached in Madrid establish on the record our right to survive, and in doing so, define those human rights which would insure the preservation of our culture:

1. Allow us to regard ourselves as bound by unbreakable bonds to the entire Hungarian people, and grant the same right to all national minorities.

2. Grant us the right to preserve our ethnic identity and collective values.

3. Allow us to establish an independent organization to protect our interests.

4. These rights -- in our view -- could acquire real validity only if an independent, unbiased international commission were formed which would examine our situation, act as arbitrator and also have supervisory authority.

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Attached to this memorandum is a PROGRAM PROPOSAL in which we endeavored to formulate the most important of our demands of the Rumanian government in the interest of ameliorating our situation.

Transylvania, September 1982.

By the editors of the samizdat periodical
ELLENPONTOK (Counterpoints), whose
continued anonymity in present-today
Rumania -- where critics of the regime
disappear without a trace or become
"accident" victims -- unfortunately need not
be explained.

PROGRAM PROPOSAL

presented by the editors of the periodical ELLENPONTOK (Counterpoints) in the interest of improving the deprived condition of the Hungarians in Rumania.

The Hungarians of Transylvania, and of Rumania in general, are presently experiencing a more critical period of threat to their existence than perhaps ever before. Legal provisions protecting their survival exist only for the sake of appearances; they serve only to veil practices and realities which are diametrically opposed to the formulations contained in ceremonial speeches and official declarations.

To the practitioners of this system of thought, the mere idea of someone actually demanding a right is a complete absurdity. Even the simplest petition in Rumania must take the form of a more or less humble entreaty, clad in offical phraseology and supported by the "principles" which happen to be in style. It is unthinkable for any request to be fulfilled without the support of an influential member of some central body of authority, and the granting of a request is always akin to the benevolent gesture of a feudal lord, awarding a well-behaved subject. (The dispenser of awards to the citizen is the state; to the minorities, the dominant Rumanian nation.) The graceful gesture has nothing to do with the rights of the petitioner, merely with the merits of the gift-giver.

Numerous minority representatives, having accepted the conditions outlined above as given and believing themselves pragmatic, chose to force themselves to adapt, attempting through subservience and a defensive manner to protect the interests of their ethnic group.

From our point of view, though we commend the good intentions underlying such behavior, the facts convince us that a minority deprived of its resources cannot hope to defend its interests, except to the extent of gaining the minimal concessions absolutely necessary for the state to maintain outward appearances. In addition, behavior of this sort is alien to our nature.

As it is our conviction that two ethnic groups can live next to, and indeed together with, each other only if they regard one another as equal partners, we demand that the Hungarians of Rumania be granted the fundamental freedom to voice demands regarding the protection of their rights and opportunities.

We know all too well that a demand of this kind may appear ill-timed in present-day Rumania, where any expressed desires pertaining to Hungarian culture are openly labeled irredentist and revisionist, even when they are couched in the required phraseology. In our opinion however, this attitude is characteristic of the relationship a feudal lord maintains with his subjects.

We are also aware that, given present conditions in Eastern Europe, it is unrealistic to expect that a demand of this kind will be met. But since our situation is growing worse each day, we feel obligated to take action because we cannot afford the luxury of waiting for a miracle to change these conditions.

For these reasons:

I. We demand that we be considered an inseparable part of the entire Hungarian people, and that as such, and as citizens of Rumania, we be permitted to maintain unhindered contacts with the Hungarian People's Republic, on both the institutional and the individual levels!

1. Allow every citizen of Rumania to travel to the Hungarian People's Republic without restrictions.

2. Repeal the regulation which forbids the accomodation of friends from abroad in our homes. (This regulation affects us, Hungarians, most of all.)

3. Permit our cultural institutions, as well as Hungarian cultural groups operating as sections of other institutions, to freely invite Hungarian ensembles and individuals from the neighboring countries.

4. Until the Transylvanian Hungarian universities are restored, permit Hungarian students from Rumania to study in Hungary. Upon their return, allow them to function according to the qualifications they have obtained.

5. Stop the practice by Rumanian customs officials of arbitrarily confiscating Hungarian-language publications.

6. With the help of relay-stations, make Hungarian (Budapest) television programing available in all parts of Transylvania.

7. Insure that Hungarian-language books published in countries inhabited by Hungarians (Hungary, Czechoslovakia, Yugoslavia and the Soviet Union) can be obtained in Rumania as well.

8. Allow us to subscribe to any and all newspapers and periodicals published in Hungary. See to it that such publications are, in fact, delivered to the subscribers by the postal service.

9. Stop treating the natural interest and justified concern of cultural and political figures in Hungary toward the fate of Hungarians in Rumania as interference in Rumania's internal affairs.

II. We demand that cultural autonomy and institutionalized forms of self-protection be guaranteed to the Hungarians of Rumania, as an ethnic community!

1. Expand paragraph 22 of the Constitution to grant minorities the right to form an organization to protect their interests, the officers of which are democratically elected.

2. Allow this organization the right to direct Hungarian cultural activity and education policy, to supervise cadre-policies affecting Hungarians, to maintain Hungarian historical monuments and to seek legal redress for minority grievances.

3. Allow Hungarians in all parts of Rumania (not just Transylvania) to be members of this organization.

4. Permit this organization to have its own official publication.

5. Publish the history of the Hungarian People's Alliance, and make known the true circumstances of its termination in 1949.

6. Publicly rehabilitate all formerly imprisoned leaders of the Hungarian People's Alliance, as well as all others who have been sentenced during the past 35 years for defending the interests of Hungarians, and declare their sentences null and void.

7. Officially acknowledge the fact that our culture is an organic part of Hungarian culture and not some kind of offshoot of Rumanian culture.

8. Create departments for the education of nationalities within the Ministry of Education and the county school boards, and treat these departments as equal to their Rumanian counterparts.

9. Re-open the Hungarian-language kindergartens and schools, granting every Hungarian child the opportunity to attend a Hungarian-language kindergarten or school. In all Hungarian-inhabited counties, make high school education in the humanities and the various trades available in Hungarian.

10. Establish Hungarian-language orphanages and schools for the handicapped, putting an end to the practice of placing Hungarian-speaking orphans and handicapped children in the respective Rumanian institutions -- a practice used as a tool of Rumanianization.

11. Enforce regulation number 6/1969 relating to teaching staff qualifications, which provides that teachers whose command of the Hungarian language is inadequate or nonexistent may not teach Hungarian-language classes.

12. Reduce the minimum quota of children required to form a class, in order to prevent the elimination of Hungarian village schools. Enact legislation in Rumania similar to the exemplary nationality statute in Yugoslavia which requires a minimum of nine children in order to establish a school. In this regard, any quotas should apply to Rumanian and Hungarian children equally.

13. In Hungarian-language secondary schools, teach the history and geography of Rumania in the Hungarian language.

14. Reestablish the Hungarian universities, and establish Hungarian-language institutions of higher education in all trades.

15. Expand the sphere of activity of the minority language publishing house "Kriterion", and increase its financial base, to enable "Kriterion" to fulfill those minority-language publishing requirements which the other publishing houses are unable to satisfy at this time.

16. Allow the Hungarian-language press, and the Hungarian-language radio and television programs, to discuss the actual and real problems of the Hungarians in Rumania.

17. The Rumanian authorities should, once and for all, stop the practice of treating Hungarian intellectuals as suspicious elements, and of subjecting them to constant police surveillance and harassment solely because they are Hungarian.

18. Insure true freedom of worship, and grant the Hungarian churches real internal autonomy.

III. For regions inhabited predominantly by Hungarians, we demand self-administration and an equitable share in the country's government!

1. Restore autonomy to the Székely land -- this time real autonomy, extended to the entire region.

2. In the villages inhabited predominantly or exclusively by Hungarians, stop the practice of appointing ethnic Rumanians to leadership positions (Chairman of the Village Council, Chairman of the Farm Cooperative, Party Secretary, policeman).

3. Allow Hungarians to be represented according to their percentage of the total population not only as Party members and representatives to the Grand National Assembly, but also among the managers of the economy, in the Party leadership at all levels, and in the government.

IV. We demand an immediate end to measures aimed at artificially altering the ethnic composition of Transylvania (including historic Transylvania, the territories west of it, and the Banat region)!

1. Terminate the massive and forced resettling of peoples from Moldavia and Wallachia into Transylvania.

2. Stop experimenting with the ethnic composition of purely Hungarian villages, trying to create a mixed population in those villages.

3. Stop the practice of assigning recent Hungarian graduates (especially physicians and engineers) to Moldavia and Wallachia, against their will.

V. We demand the opportunity for the Hungarians in Rumania to develop and cultivate their identity!

1. With regard to the past:

a. Allow the Hungarian pupils studying in their native tongue to learn the true history of their own ethnic group, and allow Rumanian pupils as well to become acquainted with that history, at least in broad outline.

b. Discuss the history of Transylvania objectively in historical publications. Stop using materials placed on museum display to conceal or trivialize the significance of Hungarians in the past, or their presence in Rumania today.

c. Discontinue the ideological function of the theory of Daco-Rumanian continuity. (Let this theory remain what it is, in fact: a working hypothesis of historians.)

d. Stop treating those who take an interest in the history and cultural heritage of Transylvania as exhibiting revisionist tendencies. Stop forbidding experts specializing in the history of Transylvania to research certain subjects.

2. With regard to the present:

a. Make public, and accessible to all, detailed statistical data regarding the present situation of the national minorities.

b. Allow anyone who so desires, to engage in sociological research pertaining to the national minorities, without police harassment against those who express an interest in this line of research.

c. Let schools, regardless of their language of instruction, teach their pupils an awareness of the country's national minorities and their culture.

d. Publish books in the Rumanian language as well which deal with the life, national customs, art, etc., of the national minorities who live here.

e. Expand the existing injuctions against manifestations of chauvinism to apply to those manifestations which are directed against Hungarians. (Thus, apply the same standard to such [anti-Hungarian] epithets as "bozgor" and "hazátlan" as to the [anti-Rumanian] "oláh".)

VI. We demand that in all areas of greater Transylvania inhabited by Hungarians, the Hungarian language be treated as equal to the Rumanian language in official as well as everyday use!

1. Grant, in practice, the right provided for in paragraph 22 of the Constitution to use the Hungarian language in administrative offices and before the various authorities, and to submit to those offices documents written in that language. Make identification cards, passports, official form letters, etc., bilingual.

2. Within the regions described, require workers employed in the fields of health care, commerce and public services to be familiar with the Hungarian language.

3. In the areas inhabited by Hungarians, make the Hungarian language a required subject in Rumanian schools as well. (During the Horthy regime in Northern Transylvania, it was compulsory for Hungarian children to learn Rumanian!)

4. In these areas, make the inscriptions of place-names and street-names, the signs on shops, factories, museums and public institutions, and the inscriptions on consumer products, etc., bilingual.

VII. We demand the same career opportunities for the Hungarians of Rumania as the Rumanians have!

Terminate the practice whereby job hiring and professional advancement are determined primarily according to ethnic background rather than professional expertise. Discontinue the practice of applying the proportion of Hungarians nationally to determine the number of Hungarians hired locally, even in firms located in overwhelmingly Hungarian areas.

VIII. We demand the preservation of the environment which reflects our historic and cultural past!

1. Preserve the traditional townscape of Transylvanian cities.

2. Stop tearing down the buildings which are significant for cultural or historical reasons.

3. Register as protected cultural properties all items deserving that title.

4. Stop altering the surroundings of Hungarian cultural landmarks, to show the landmarks at a disadvantage.

5. Establish a source of funds for the preservation of perishing historical and cultural monuments.

IX. We demand that the Hungarian-speaking natives of Moldavia, the Csángós -- whom official statistics have declared to be Rumanian, without exception -- be permitted to declare themselves Hungarians again, and to participate in Hungarian cultural life!

1. Permit them to join the organization representing Hungarian nationality interests.

2. Permit them free use of their native Hungarian language.

3. Reopen their Hungarian-language schools.

4. Grant them the right to conduct religious services in the language of their choice.

5. Put an end to the forced isolation of the Csángós, the obstruction of their contacts with Hungarians from elsewhere and the persecution of visitors to Csángó villages.

X. We demand that an impartial international commission (whose members would also include Hungarians and Rumanians) examine our situation and make decisions in the issues which bear upon our fate!

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The foregoing, which was written on behalf of two million Hungarians, provides only a partial cross-section of the country's problems: those affecting the Hungarians (and even those only in a summary and incomplete fashion). We are quite aware that the solution to these problems cannot be isolated from the more general set of questions. Our primary purpose, however, is to identify these problems, since if we do not do so, no one will it for us. As far as calling attention to the general issues affecting all of us, this not our responsibility alone, and perhaps not even ours primarily; it would first and foremost be the responsibility of the Rumanian people.

Nevertheless, we do not consider this act of ours premature. The wall of silence must at last be broken from somewhere on the inside, as must that enormous, motionless and seemingly immovable block of tyranny and deprivation of rights which weighs nightmarishly on every inhabitant of Rumania (except for those who profit from it) and which is ultimately responsible for the totally catastrophic condition in which the country finds itself. In this regard, it is our conviction that our program proposal, which may be considered by "some" to be directed against the Rumanian people, actually supports their interests, because any increase in the respect for human rights would necessarily lead to an increase in their rights as well.

APPENDIX C

REPORT ON ARRESTS AND TORTURE OF MINORITY INTELLECTUALS, FROM THE "SPECIAL EDITION OF ELLENPONTOK" (COUNTERPOINTS), DATED JANUARY 13, 1983

An Account of the Events

On November 6, 1982, the Rumanian political police (the state security apparatus, or Securitatea) conducted a house search at the apartment of Géza Szöcs in Kolozsvár and afterwards took him into custody for several hours. In the course of the interrogation it became clear that the police knew of Szöcs's every move throughout the past three weeks. This, plus the fact that they had found in his apartment copies of the "samizdat" periodical Ellenpontok (Counterpoints) which had been appearing in Transylvania since December 1981, and the fact that the authorities had in their possession certain photographs and tape recordings, compelled Szöcs to "break down" and "confess" -- in accordance with a prearranged tactic designed to mislead the authorities. Accordingly, he told them that the copies of Counterpoints which could be proved to have been distributed by him, originated in Hungary. Subsequently, this statement elicited a certain amount of disapproval among Hungarians in Transylvania inasmuch as it could be used as an excuse to further envenom relations between the two countries. This opinion however, does not take into consideration the fact that Szöcs's reference was to those circles in Hungary whose existence is barely tolerated by the Hungarian government.

After the confession on the sixth, he was freed in the evening of the same day and told that the interrogation would continue on the eighth. After his release however, Szöcs slipped out of Kolozsvár, and on the same day wrote a letter to his interrogators in which he disavawed his entire confession, saying that he had made it solely as a result of threats and intimidation. From Kolozsvár, traveling partly on foot and partly by public transportation, he reached the sanatarium of Tölgyes, 25 kilometers from the baths at Borszék, and had himself admitted as a patient suffering from a severe persecution complex. He left the sanatarium on several occasions in order to establish contacts, and this must have been how, on November 24, in order to avoid a routine identity check on board a moving train, he jumped onto the tracks and suffered a torn tendon and severe contusions in one of his legs.

On December 9, he spoke by telephone to Attila Ara-Kovács and informed him that he wished to remain in hiding until he received guarantees from the state security organs regarding his life and personal liberty. Following that telephone conversation, he was taken into custody by the police at the post office of Maroshéviz. They interrogated him for four days, first in Maroshéviz, and then, on the twelvth, in Kolozsvár. Szöcs denied his identity until he was made to confront his attending physician.

Based on several pieces of evidence, it can be confirmed that he was severely mistreated during his interrogation; the police repeatedly beat his head against the wall, particularly when he refused to disavow the Memorandum and Program Proposal, published in the eighth issue of Counterpoints, and when he refused to incriminate András Sütö. What the interrogators wanted was for Szöcs to admit that Sütö had something to do with Counterpoints, and that he had a hand in writing the last -- eighth -- issue. After the four days, Szöcs was allowed to go home to Kolozsvár, where he stayed at his parents' house. The conditions of his release are not known. Since that time, his parents' house has been watched in a conspicuous fashion. Visitors to Szöcs are also placed under surveillance, and on occasion followed, but not harassed.

On December 28, in a severely weakened state and suffering from pulmonary embolism, with suspected pneumonia and pleurisy, Szöcs was taken to a hospital, where, at this writing, he continues to undergo treatment.

On November 7, house searches were conducted in Nagyvárad as well, at the dwellings of Attila Ara-Kovács and Károly Tóth among others. The authorities maintained constant radio contact among the various house searches to keep abreast of developments. They found no damaging evidence among Károly Tóth's possessions, but they did confiscate his books dealing with the past and present of the Hungarian people and his materials documenting the Endre Ady Literary Circle. They also took his typewriter. The house search lasted until late in the afternoon, and afterwards Károly Tóth, his wife and his under-age sister-in-law were taken to the state security headquarters in Nagyvárad. About four hours later Tóth's sister-in-law was released. His wife was allowed to go home around midnight, but she was ordered to return the following morning for several more hours. Karoly Tóth's interrogation, with two interruptions, lasted until the morning of the eleventh. They brutally humiliated, beat and tortured him: he was handcuffed, kicked, his head was beaten against the wall, and his hair was pulled out. His head and neck were beaten mainly by hand, and his entire body was flailed with rubber truncheons; the bloody marks were still visible two weeks later. He was threatened with injections of Scopolamin. Since he had previously agreed with Attila Ara-Kovács and Géza Szöcs that if coerced they would admit to being editors of Counterpoints as well as having written the Memorandum and Program Proposal, and further, since the resolve of his interrogators lead Tóth to the conclusion that they knew more than the three of them had realized, he made a confession. After the confession, Károly Tóth was released. Since November 12 he has been allowed to work, but his apartment is held under surveillance, and he is repeatedly sought out by one or another officer of the state security organs for "a little chat."

During the day-long house search on November 7, no damaging evidence was found at the apartment of Attila Ara-Kovács either. Numerous rare books and periodicals were confiscated from him, they expropriated his typewriter, and they took from his wife the 2,727 forints received for purposes of emigrating to Hungary. Following the house search, he too was taken into custody and subjected to a 48-hour interrogation without food or drink, during which he had to listen to the beating of Károly Tóth and his cries for help in the adjacent room. For the sake of formality, Ara-Kovács was allowed home for a few hours between two interrogation sessions. Like Károly Tóth, he confessed and was released on November 11, but was forbidden to leave Nagyvárad. Since that time his apartment has been under surveillance, from time to time he is followed in a very obvious fashion, and his telephone conversations are interrupted. On December 3, without proper authority from the public prosecutor and despite the protests of his mother who was there at the time, his apartment was searched by the police, and 20 forints were confiscated. Due to the mental shock resulting from the first house search, his father entered the hospital where he underwent treatment lasting more than a month.

What the interrogators wanted was evidence that Counterpoints was being prepared with the express support of the authorities in Hungary, and that the materials were received by diplomatic pouch, with the help of Rudas, the consul from Hungary in Kolozsvár. Ara-Kovács was further accused of having received from the Hungarian authorities money (i.e. the confiscated 2,727 forints), and a visa to enter Hungary, as compensation for editing Counterpoints. With regard to each of the three individuals, the interrogators tried to uncover as many connections to Hungary as possible and to obtain damaging evidence in this respect.

In sum, Attila Ara-Kovács, Géza Szőcs and Károly Tóth admitted that they were editors of the "samizdat" periodical Counterpoints, that they had also written some of its articles, and that they were entirely responsible for writing the latest issue, Number 8. They claimed to have no knowledge of any other contributors to the periodical. After their release, all three disavowed their confessions on the basis that they had been coerced into making them.

Beyond these three people, many more individuals were subjected to harassment. Most of these -- persons with whom Szőcs had met frequently in the three weeks preceeding his first interrogation -- had to endure house searches, and practically all were interrogated. Among others, the following were subjected to house searches:

In Dés:	László Tőkés, Reformed minister
In Marosvásárhely:	Attila Vári, writer Attila Kelemen, veterinarian Mihály Spielmann, historian Gábor Tompa, theater director
In Csikszemtmihály:	Borbála Lukács, teacher
In Sepsiszentgyörgy:	László Bogdán, poet András Balogh, theater director Zoltán Czegö poet Imre Markó, dentist

In Kolozsvár: Gábor Tompa, theater director
Vid Tirnován, sculptor

In Nagyvárad: Lóránt Kertész, economist
Gábor Varga, engineer
Márta Józsa, university student (she was the third person -- besides Károly Tóth and Géza Szöcs -- to be beaten during interrogation.)

On November 23, after house searches in their apartments in Csikszereda, Ernö Borbély, secondary school teacher, and Katalin Bíró, architect, were taken away. No one has seen them since, and no news has emerged regarding their whereabouts. In the house searches, books from Hungary (primarily historical, ethnographical and cultural works), older Hungarian publications (such as books and periodicals published in Transylvania between the two World Wars), personal correspondence, typewriters, and groceries from Hungary were confiscated. The number of those interrogated was much higher, and in each case the authorities attempted to demostrate as many ties to Hungary as possible, as well as trying to extract compromising statements concerning the better known Hungarian cultural figures in Rumania.

In analyzing the course of the interrogations in retrospect, it becomes clear that despite the considerable technical surveillance apparatus with which the authorities were equipped to watch, above all, Szöcs and his surroundings, they had relatively scant and inaccurate information at their disposal.

With regard to the effect of these events, a certain duality can be observed here in Transylvania. On the one hand, it is true that since November of 1982 the people are even more afraid of the authorities, even more afraid of each other and even more reluctant to resist the oppression in their own surroundings. On the other hand, news of Counterpoints has reached all of Transylvania (all Hungarians of Transylvania), and for most people this has introduced a certain ray of hope into a hopeless situation. Upon hearing the news of the house searches, the arrests and the interrogations, many people secretly offered material aid to the victims, and expressed their solidarity in various ways. The victims received shipments of food from friends and strangers alike (which in Rumania today means the denial of sustenance to the donors).

This report was prepared in Transylvania.
Concluded on January 13, 1983.

The preparers of this report express their thanks to all those who in any way stood by the victims and tried in any way to help them.

APPENDIX D

"DECLARATION" DATED DECEMBER 10, 1982 BY ATTILA ARA-KOVACS, ONE OF THE EDITORS OF THE SAMIZDAT PERIODICAL "ELLENPONTOK" (COUNTERPOINTS)

Declaration

My experiences in November 1982 -- the persecution, the interrogations, the house searches, the harassment and humiliation of my friends and acquaintances -- have led me to conclude that the Rumanian state, which at present routinely violates the most fundamental human rights, has became totally incapable of honorably solving the problems which may arise. For this very reason, I too no longer see any point to requesting the free exercise of my and our rights.

I do not request, but rather I demand and I protest! And I accuse this regime of the universal trampling of human rights, which, with its incredible vileness, pre-ordains the future of tens of millions of people!

I protest the fact that in this country people can disappear without a trace!

I protest the persecution of national minorities, which is directed primarily against the two million Hungarians of Transylvania, and I protest the fact that the oppressed minorities in Rumania are incited against one another!

I protest that our every rightful demand is answered -- beyond the use of terror -- through television and in the press only by the criminally inclined or spineless representatives of the minorities; and that the only argument they bring up against us is that we are not the same as they -- that is, delirious bootlickers!

I protest the fact that as a consequence of our protests we must face the threat of death! I protest against the screams and cries for help which I had to listen to for days in the company of others, in one of the headquarters of the state security apparatus!

I protest against the informers who lurk behind every telephone conversation, every personal contact, every thought!

I protest the absence of freedom of expression and freedom of movement!

I protest against everything which may still befall us in today's Rumania!

*

I take this opportunity to thank all those who were induced by the hope and desire for social freedom to engage in public protest by manifesting interest in the fate of the victims of terror and by identifying with them. I harbor no illusions regarding our own possibilities for the future; for this reason, I am compelled to continue placing hope in the solidarity hitherto manifested.

Nagyvarád, December 10, 1982.

Attila Ara-Kovács
Nagyvarad/Oradea
Nufulari 46/12
Tel: 33 457

APPENDIX E

"STATEMENT OF POSITION" DATED MARCH 8, 1983 BY THE THREE EDITORS OF THE SAMIZDAT PERIODICAL "ELLENPONTOK" (COUNTERPOINTS)

Statement of Position

The responsibility we feel for good relations between the Hungarian and Rumanian peoples, for the observance of human rights in Rumania and for the preservation of social tranquility in the country compels us to take a public stand against the flagrant injustices and reprehensible conduct of the Rumanian authorities.

Our conduct and our protests have, to date, been motivated by a belief and trust in the agreements concluded in our name in Helsinki in 1975, and in Debrecen and Nagyvarad in 1977. Nevertheless, what we are witnessing is that those in power in Rumania today are violating in our name, day in and day out and in the most cynical fashion, those very same agreements. We indignantly protest this wrongful corruption of our name.

We Hungarians of Rumania strive for peaceful and untroubled coexistence, whose only guarantee can be through adherence to the spirit and letter of the two agreements mentioned above. And it is precisely for this reason that whenever the authorities in Rumania today violate these agreements, we feel that our very existence is threatened.

There is no longer any person or any thing which guarantees our personal freedom. As shown by our individual experiences, we are at the mercy of the whims of the of the internal security organs to the greatest extent possible, with no opportunity for legal recourse.

Our relatives and friends from Hungary are expelled from Rumania, and we are unable to maintain contact with them without risk to our personal freedom. All these measures on the one hand violate our individual and minority rights, and on the other hand, serve to further isolate us and increase our defenselessness.

Kolozsvár - Nagyvárad, March 8, 1983.

Attila Ara-Kovács
Géza Szöcs
Károly Tóth
Editors of the periodical
"Counterpoints"

APPENDIX F
SELECTED NEWS ARTICLES

AGENCE FRANCE PRESSE

(Paris, France)

Tuesday, November 16, 1982

FF042 161341/82

EAST -- INTELLECTUALS OF HUNGARIAN MINORITY HELD IN ROMANIA (W/CN55)

PARIS, NOV 16 (A F P)---QUATRE INTELLECTUELS DE LA MINORITE HONGROISE DE TRANSYLVANIE ONT ETE ARRETES IL Y A UNE DIZAINE DE JOURS EN ROUMANIE, DONT TROIS ONT ETE LIBERES APRES CINQ JOURS DINTERROGATOIRE MAIS INCULPES DE "TRAHISON" TANDIS QUON EST SANS NOUVELLES DU QUATRIEME, ANNONCE MARDI LA REVUE TRIMESTRIELLE "CAHIERS HONGROIS" PUBLIEE A PARIS.

IL SAGIT DU POETE GEZA SZOCS - DONT ON EST SANS NOUVELLES - DU PHILOSOPHE ATTILA ARA-KOVACS, DU PROFESSEUR DE LYCEE KAROLY TOTH ET DE LA FEMME DE CE DERNIER.

SELON DES INFORMATIONS PARVENUES DANS LA NUIT DE LUNDI A MARDI A LA REVUE PARISIENNE PAR LINTERMEDIAIRE DES MILIEUX DOPPOSITION DE RUDAPEST, CES QUATRE PERSONNES ONT ETE ARRETEES ENTRE LE 5 ET LE 7 NOVEMBRE A CLUJ ET ORADEA SOUS LACCUSATION DETRE LES ANIMATEURS DE LA REVUE DE LANGUE HONGROISE "CONTREPOINTS" PUBLIEE EN "SAMIZDAT" (CLANDESTINEMENT) EN TRANSYLVANIE.

CETTE REVUE DONT LE PREMIER NUMERO A PARU EN DECEMBRE 1981, A PUBLIE DANS SON HUITIEME NUMERO, DIFFUSE EN OCTOBRE, UN MEMORANDUM SUR LA SITUATION DE LA MINORITE HONGROISE DE TRANSYLVANIE DESTINE AUX PARTICIPANTS DE LA CONFERENCE DE MADRID SUR LA SECURITE ET LA COOPERATION EN EUROPE.

SELON LES MEMES SOURCES, LE PROFESSEUR TOTH ET SA FEMME QUI AURAIENT ETE BATTUS DURANT LEUR INTERROGATOIRE, ONT ETE APRES LEUR LIBERATION CONSIGNES A LEUR DOMICILE, TANDIS QUE M ARA-KOVACS SE VOYAIT INTERDIRE DE QUITTER ORADEA. JE

[Translation from French]

INTELLECTUALS OF HUNGARIAN MINORITY HELD IN RUMANIA

Paris, Nov. 16 (AFP) -- Four Hungarian minority intellectuals in Transylvania were arrested ten days ago in Rumania, and three of them were released after five days of interrogation but charged with "treason," while there is no news regarding the fourth, the quarterly review "Hungarian Notes" published in Paris announced Tuesday.

The individuals involved are the poet Géza Szőcs -- about whom there is no news --, the philosopher Attila Ara-Kovács, the high school teacher Károly Tóth and his wife.

According to the information reaching the Parisian review Monday evening through intermediary dissident sources in Budapest, the four persons were arrested between the 5th and 7th of November in Cluj and Oradea and accused of being the forces behind the Hungarian-language periodical "Counterpoints" published in "samizdat" (underground) in Transylvania.

The periodical, whose first issue appeared in December 1981, published in its eighth issue, disseminated in October, a memorandum on the situation of the Hungarian minority in Transylvania, destined for the Madrid Conference on Security and Cooperation in Europe.

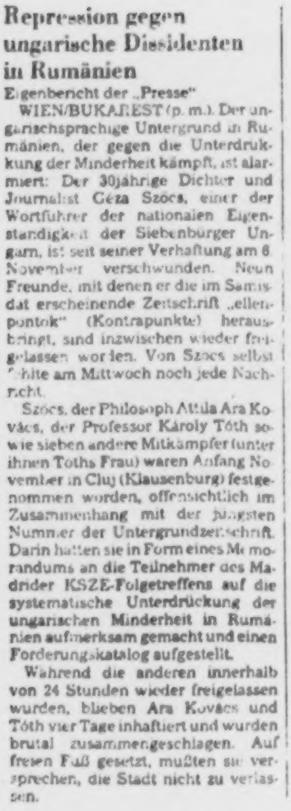
According to the same sources, professor Tóth and his wife, who had been beaten during their interrogation, were restricted to their home after their release, and Mr. Ara-Kovács found himself forbidden to leave Oradea.

DIE PRESSE

(Vienna, Austria)

Thursday, November 18, 1982

[Translation from German:]



Repression gegen ungarische Dissidenten in Rumänien

Eigenbericht der „Presse"

WIEN/BUKAREST (p. m.). Der ungarischsprachige Untergrund in Rumänien, der gegen die Unterdrückung der Minderheit kämpft, ist alarmiert: Der 30jährige Dichter und Journalist Géza Szőcs, einer der Wortführer der nationalen Eigenständigkeit der Siebenbürger Ungarn, ist seit seiner Verhaftung am 6. November verschwunden. Neun Freunde, mit denen er die im Samisdat erscheinende Zeitschrift „ellenpontok" (Kontrapunkte) herausbringt, sind inzwischen wieder freigelassen worden. Von Szőcs selbst fehlte am Mittwoch noch jede Nachricht.

Szőcs, der Philosoph Attila Ara Kovács, der Professor Károly Tóth sowie sieben andere Mitkämpfer (unter ihnen Tóths Frau) waren Anfang November in Cluj (Klausenburg) festgenommen worden, offensichtlich im Zusammenhang mit der jüngsten Nummer der Untergrundzeitschrift. Darin hatten sie in Form eines Memorandums an die Teilnehmer des Madrider KSZE-Folgetreffens auf die systematische Unterdrückung der ungarischen Minderheit in Rumänien aufmerksam gemacht und einen Forderungskatalog aufgestellt.

Während die anderen innerhalb von 24 Stunden wieder freigelassen wurden, blieben Ara Kovács und Tóth vier Tage inhaftiert und wurden brutal zusammengeschlagen. Auf freien Fuß gesetzt, mußten sie versprechen, die Stadt nicht zu verlassen.

REPRESSION OF HUNGARIAN DISSIDENTS IN RUMANIA

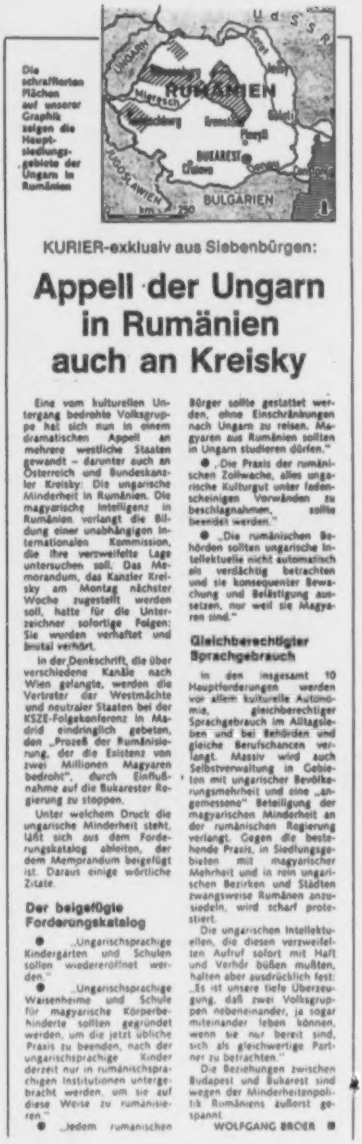
Special to Die Presse

VIENNA/BUCHAREST (p.m.) -- The Hungarian-speaking underground in Rumania, struggling against minority suppression, is alarmed: Since his arrest on November 6, the 30 year-old poet and journalist Géza Szőcs, a spokesman for the national identity of Hungarians in Transylvania, has disappeared. Nine friends, with whom he publishes the samizdat periodical "Ellenpontok" (Counterpoints), have in the meantime been released. As of Wednesday, there was still no news concerning Szőcs himself.

Szőcs, the philosopher Attila Ara-Kovács, the professor Károly Tóth and seven compatriots (among them Tóth's wife) were arrested in early November in Cluj (Klausenburg), obviously in connection with the latest issue of the underground publication. In it, in the form of a memorandum to the participants of the CSCE Review Meeting in Madrid, they had called attention to the systematic oppression of the Hungarian minority in Rumania and had presented a list of demands.

While the others were set free within 24 hours, Ara-Kovács and Tóth remained imprisoned for four days and were brutally beaten up. After their release, they were constrained to promise not to leave the city.

KURIER
(Vienna, Austria)
Saturday, November 20, 1982


UdSSR
UNGARN
RUMÄNIEN
Mieresch
BUKAREST
JUGOSLAWIEN
BULGARIEN
km 250

Die schraffierten Flächen auf unserer Graphik zeigen die Hauptsiedlungsgebiete der Ungarn in Rumänien

KURIER-exklusiv aus Siebenbürgen:

Appell der Ungarn in Rumänien auch an Kreisky

Eine vom kulturellen Untergang bedrohte Volksgruppe hat sich nun in einem dramatischen Appell an mehrere westliche Staaten gewandt – darunter auch an Österreich und Bundeskanzler Kreisky: Die ungarische Minderheit in Rumänien. Die magyarische Intelligenz in Rumänien verlangt die Bildung einer unabhängigen internationalen Kommission, die ihre verzweifelte Lage untersuchen soll. Das Memorandum, das Kanzler Kreisky am Montag nächster Woche zugestellt werden soll, hatte für die Unterzeichner sofortige Folgen: Sie wurden verhaftet und brutal verhört.

In der Denkschrift, die über verschiedene Kanäle nach Wien gelangte, werden die Vertreter der Westmächte und neutraler Staaten bei der KSZE-Folgekonferenz in Madrid eindringlich gebeten, den „Prozeß der Rumänisierung, der die Existenz von zwei Millionen Magyaren bedroht", durch Einflußnahme auf die Bukarester Regierung zu stoppen.

Unter welchem Druck die ungarische Minderheit steht, läßt sich aus dem Forderungskatalog ableiten, der dem Memorandum beigefügt ist. Daraus einige wörtliche Zitate.

Der beigefügte Forderungskatalog

- „Ungarischsprachige Kindergärten und Schulen sollen wiedereröffnet werden."
- „Ungarischsprachige Waisenheime und Schule für magyarische Körperbehinderte sollten gegründet werden, um die jetzt übliche Praxis zu beenden, nach der ungarischsprachige Kinder derzeit nur in rumänischsprachigen Institutionen untergebracht werden, um sie auf diese Weise zu rumänisieren."
- „Jedem rumänischen Bürger sollte gestattet werden, ohne Einschränkungen nach Ungarn zu reisen. Magyaren aus Rumänien sollten in Ungarn studieren dürfen."
- „Die Praxis der rumänischen Zollwache, alles ungarische Kulturgut unter fadenscheinigen Vorwänden zu beschlagnahmen, sollte beendet werden."
- „Die rumänischen Behörden sollten ungarische Intellektuelle nicht automatisch als verdächtig betrachten und sie konsequenter Bewachung und Belästigung aussetzen, nur weil sie Magyaren sind."

Gleichberechtigter Sprachgebrauch

In den insgesamt 10 Hauptforderungen werden vor allem kulturelle Autonomie, gleichberechtigter Sprachgebrauch im Alltagsleben und bei Behörden und gleiche Berufschancen verlangt. Massiv wird auch Selbstverwaltung in Gebieten mit ungarischer Bevölkerungsmehrheit und eine „angemessene" Beteiligung der magyarischen Minderheit an der rumänischen Regierung verlangt. Gegen die bestehende Praxis, in Siedlungsgebieten mit magyarischer Mehrheit und in rein ungarischen Bezirken und Städten zwangsweise Rumänen anzusiedeln, wird scharf protestiert.

Die ungarischen Intellektuellen, die diesen verzweifelten Aufruf sofort mit Haft und Verhör büßen mußten, halten aber ausdrücklich fest: „Es ist unsere tiefe Überzeugung, daß zwei Volksgruppen nebeneinander, ja sogar miteinander leben können, wenn sie nur bereit sind, sich als gleichwertige Partner zu betrachten."

Die Beziehungen zwischen Budapest und Bukarest sind wegen der Minderheitenpolitik Rumäniens äußerst gespannt.

WOLFGANG BROER ■

[Translation from German:]

[Caption:] The shaded areas on our map show the major settlements of Hungarians in Rumania.

HUNGARIANS IN RUMANIA APPEAL TO KREISKY AS WELL

Kurier Exclusive from Transylvania

By: Wolfgang Broer

The Hungarian minority in Rumania, a nationality threatened with cultural destruction, has addressed an appeal to several Western states, among them Austria and Austrian Chancellor Kreisky. The Hungarian intelligentsia in Rumania demands the creation of an independent international commission to investigate its desperate situation. The memorandum, to be delivered to Chancellor Kreisky on Monday, resulted in immediate consequences for its signers: They were arrested and brutally interrogated.

The document, reaching Vienna through different channels, urgently implored representatives of the Western powers and neutral states attending the CSCE Review Meeting in Madrid to influence the Bucharest regime to halt "the process of Rumanianization which threatens the existence of two million Hungarians."

The kinds of pressure to which the Hungarian minority is subjected can be derived from the list of demands which is annexed to the memorandum. The following are some verbatim quotes:

The Appended List of Demands

- "Re-open the Hungarian-language kindergartens and schools."
- "Establish Hungarian-language orphanages and schools for the handicapped, putting an end to the practice of placing Hungarian-speaking orphans and handicapped children in the respective Rumanian institutions -- a practice used as a tool of Rumanianization.
- "Allow every citizen of Rumania to travel to the Hungarian People's Republic without restrictions. Permit Hungarian students from Rumania to study in Hungary.
- "Stop the practice by Rumanian customs officials of arbitrarily confiscating Hungarian-language publications."
- "The Rumanian authorities should, once and for all, stop the practice of treating Hungarian intellectuals as suspicious elements, and of subjecting them to constant police surveillance and harassment solely because they are Hungarian."

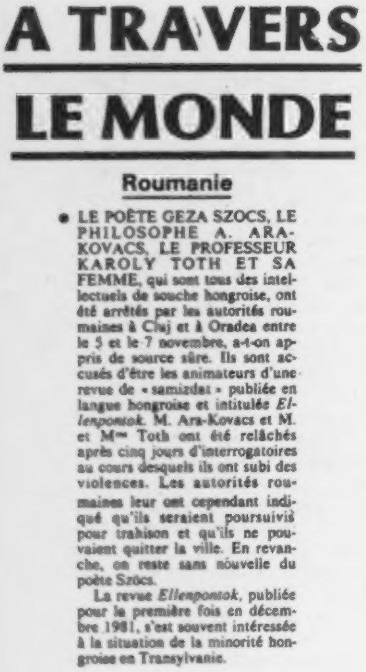
Equal Right to Use of Language

The list, consisting of ten major points, demands, above all, cultural autonomy, equality of language use in everyday life and by the authorities, and equal employment opportunities. Other strenuous demands include self-administration in regions where Hungarians form a majority of the population, and "adequate" representation of the Hungarian minority in the Rumanian government. The continued practice of resettling Rumanians into regions inhabited by Hungarians, and into purely Hungarian districts and towns, is sharply protested.

The Hungarian intellectuals, who had to pay for this desperate plea through arrest and interrogation, are persistently holding their ground: "It is our deep conviction that two ethnic groups can live next to, and indeed together with, each other only if they regard one another as equal partners."

Relations between Budapest and Bucharest are severely strained due to Rumania's minority policies.

LE MONDE
(Paris, France)
Sunday/Monday, November 21/22, 1982



A TRAVERS LE MONDE

Roumanie

- **LE POÈTE GEZA SZOCS, LE PHILOSOPHE A. ARA-KOVACS, LE PROFESSEUR KAROLY TOTH ET SA FEMME,** qui sont tous des intellectuels de souche hongroise, ont été arrêtés par les autorités roumaines à Cluj et à Oradea entre le 5 et le 7 novembre, a-t-on appris de source sûre. Ils sont accusés d'être les animateurs d'une revue de « samizdat » publiée en langue hongroise et intitulée *Ellenpontok*. M. Ara-Kovacs et M. et M^{me} Toth ont été relâchés après cinq jours d'interrogatoires au cours desquels ils ont subi des violences. Les autorités roumaines leur ont cependant indiqué qu'ils seraient poursuivis pour trahison et qu'ils ne pouvaient quitter la ville. En revanche, on reste sans nouvelle du poète Szöcs.

La revue *Ellenpontok*, publiée pour la première fois en décembre 1981, s'est souvent intéressée à la situation de la minorité hongroise en Transylvanie.

[Translation from French:]

AROUND THE WORLD:

RUMANIA

THE POET GÉZA SZŐCS, THE PHILOSOPHER A. ARA-KOVÁCS, THE PROFESSOR KÁROLY TÓTH AND HIS WIFE, all intellectuals of Hungarian origin, were arrested by the Rumanian authorities in Cluj and Oradea between November 5 and 7, according to a reliable source. They were accused of being the forces behind a "samizdat" periodical published in the Hungarian language and entitled Ellenpontok. Mr. Ara-Kovács and Mr. and Mrs. Tóth were released after five days of interrogation during which they were subjected to violent treatment. The Rumanian authorities indicated however, that they would be prosecuted for treason and that they could not leave the city. In turn, there was no news regarding the poet Szőcs.

The periodical Ellenpontok, first published in December 1981, frequently dealt with the situation of the Hungarian minority in Transylvania.

NEUE ZÜRCHER ZEITUNG
(Zurich, Switzerland)
Monday, November 22, 1982

Die Frage der ungarischen Minderheit in Rumänien

Ein Appell an die KSZE-Folgekonferenz

Wien, 21. Nov. (ap) Eine Gruppe in Rumänien lebender Ungarn hat am Freitag *Autonomie* für die mehrheitlich von Ungarn bewohnten rumänischen Gebiete und eine Anerkennung ihrer Eigenständigkeit als Minderheit durch die rumänische Regierung gefordert. In einem in Wien veröffentlichten Appell an die KSZE-Folgekonferenz in *Madrid* warf die Gruppe den rumänischen Behörden die Einschüchterung und berufliche *Diskriminierung* national gesinnter rumänischer Ungarn vor. «Besonders da, wo Intellektuelle und Arbeiter betroffen sind, behandelt die Staatsmacht uns, als wenn wir Feinde im Inneren wären», heisst es in der Erklärung. Von der Führung in Bukarest wird Nationalisten die Selbstverwaltung aller Bezirke mit mehrheitlich ungarischer Bevölkerung und die Anerkennung von Ungarisch als zweiter Amtssprache in diesen Regionen gefordert. Ungarische Volkszugehörige sollten ungehindert nach Ungarn reisen oder ungarische Staatsbürger beherrbergen sowie *ungarische Zeitungen* abonnieren dürfen. Daneben fordert die Gruppe die Gründung ungarischer Schulen in Rumänien, *Religionsfreiheit* und eine umfassende Amnestie für alle inhaftierten ungarischen Nationalisten. Die Lage der Ungarn rumänischer Staatsangehörigkeit solle von einer internationalen Kommission überwacht werden.

[Translation from German]

THE QUESTION OF THE HUNGARIAN MINORITY IN RUMANIA

An Appeal to the CSCE Review Meeting

Vienna, Nov. 21 (ap) -- A group of Hungarians living in Rumania petitioned the Rumanian government Friday to grant autonomy in Rumanian regions inhabited by a plurality of Hungarians and to acknowledge their individuality as a minority. In an appeal to the CSCE Review Meeting in Madrid made public in Vienna, the group outlined for the Rumanian authorities the intimidation and employment discrimination occurring against ethnic Hungarians in Rumania. "The state powers treat us, especially intellectuals and workers, as if we were the enemies within," the document states. The Bucharest leadership is called upon to grant self-administration in all districts with a predominantly Hungarian population and to officially acknowledge Hungarian as a second language in those regions. Hungarians in Rumania should be allowed to travel unhindered to their relatives in Hungary, to accomodate Hungarian citizens in their homes and to subscribe to newspapers from Hungary. Further, the group demands the [re]establishment of Hungarian schools in Rumania, freedom of religion and a comprehensive amnesty for all imprisoned Hungarian nationalists. The situation of the Hungarians belonging under Rumanian state control should be supervised by an international commission.

THE WALL STREET JOURNAL
MONDAY, FEBRUARY 28, 1983

INTERNATIONAL

Hungarians Restive in the East Bloc

Expatriates' Treatment In Warsaw Pact Nations Makes Budapest Edgy

By VICTORIA POPE
Special to THE WALL STREET JOURNAL

BUDAPEST, Hungary – One of Hungary's most pressing social problems today lies outside its borders, namely the alleged mistreatment of more than three million Hungarians living in neighboring Communist countries.

Some 1.7 million Hungarians live in Romania, chiefly in the region of Transylvania, according to official Romanian statistics; but some Hungarian demographers estimate the number is closer to three million. Czechoslovakia has a community of about 600,000 Hungarians, and Yugoslavia has about a half million. In the Soviet Union there are approximately 170,000. The population of Hungary proper is 11 million.

What sets Hungarians in Soviet bloc countries apart from those in Austria, Britain or the U.S. is their faithfulness to a traditional Hungarian way of life. Clinging to language, culture and folk ways, they are more exile than emigrant. Most are citizens of foreign countries not because of personal preference but because of the altering of Hungary's borders after World War I and World War II.

Discrimination Alleged

Hungarians returning from Transylvania say they are discriminated against in schooling and jobs, and openly disliked by the Romanian population. One of Hungary's most distinguished writers, Gyula Illyes calls the plight of ethnic Hungarians in Romania "unbearable." A prominent ethnic Hungarian emigre charges that even Romanian intellectuals tend to believe the Romanian press propaganda against the Hungarian minority.

"They believe that armed bands of Hungarians wait in Transylvania [illegible] attack," he says. "Ethnic Hungarians are hostage to this prejudice."

In reaction to the alleged mistreatment of Hungarians in Transylvania, a group of 71 intellectuals sent an open letter in late November to the Hungarian Council of Ministers spelling out what the Hungarian minority in Romania wants. Among the demands were self-administration for those living in regions where there are concentrations of Hungarians, and the possibility of speaking Hungarian outside the home. Travelers from Transylvania say that signs are posted there saying "Speak Romanian."

Government Concern

The Hungarian government hasn't formally responded to the letter, but political sources say that officials are greatly concerned. One Hungarian political analyst with ties to the government hierarchy reports that Hungarian leaders are refusing to meet with Romanian President Nicolae Ceausescu until the Romanians give tangible signs of complying with a bilateral agreement signed in the 1970s. That agreement was designed to protect the rights of ethnic Hungarians to emigrate to Hungary and ensure their access to Hungarian-language publications.

With more and more Hungarians complaining that their relatives in other Soviet bloc countries face grinding discrimination, the government is confronted with a dilemma: To stem public discontent it must address these concerns, but to speak too loudly on the issue could damage its relations with fellow Warsaw Pact nations.

Besides being seen as a potential unifying force for protesters, the issue of ethnic Hungarians could break the silence on "disputed lands," territories that changed hands after the world wars. Such probings, however academic, could open a Pandora's box in Eastern Europe and the Soviet Union, where historic borders have been drastically altered. Hungary, for example, lost one-third of its territory after World War I, then a few more swatches after World War II. Put in human terms, every third Hungarian was suddenly living in a foreign land without even moving.

There are preliminary signs that the government wants to tamp down this burgeoning civil rights movement. In late November, police swooped down on a Budapest apartment where dissidents met to exchange ideas and underground publications. The action was unexpected because the dissident community generally has been tolerated by the security forces. Later it was learned that the raid coincided with roundups of ethnic Hungarian activists in Romania and Czechoslovakia, who, like the Budapest dissidents, were championing rights for expatriate Hungarians in Soviet bloc countries.

A Kremlin Role?

There are several theories on why the raid took place. Some political analysts speculate it was meant to signal to new Soviet Leader Yuri Andropov that Hungary's house was in order. Others say it reflected fear that the recent lowering of Hungary's standard of living might lead to Polish-style dissent. Opposition leaders believe, however, that the police also were seeking to break the links between the activists in the three countries.

Several Hungarian political analysts suggest that Hungary's official reluctance to press its neighbors on the rights of expatriate Hungarians comes from a sense that the government has very little maneuvering room on the issue. They say active attention to the problem would displease the Kremlin because the Soviet Union has its own festering ethnic problems, and wouldn't like the Hungarians to open up the question of minority rights.

Eastern Europe and the Soviet Union are indeed a mosaic of ethnic groups. In Yugoslavia, ethnic Albanians in the province of Kosovo want status as an independent republic and have expressed this aim in riots and mass demonstrations. Meanwhile, the threat of Islamic nationalism among the Soviet Union's large Moslem population is a worry to Moscow. And despite more than 40 years of Russification in the Baltic Soviet republics of Estonia, Latvia and Lithuania, their populations still cling to their national roots and are openly hostile to Russian culture.

Secret services

President "M" foils dictator "C"

His Majesty was not amused

East European bosses are now likely to think twice before dispatching killer squads to western Europe to eliminate their political opponents. On August 31st, a Rumanian secret agent known as "Z" revealed in Paris the details of an astonishing plot by the French secret service to fool the Rumanian secret service into believing that an attempt to kill Rumanians dissidents in France had succeeded. President Mitterrand played a central role in the deception.

On May 20th, Mr Virgil Tanase, a Rumanian novelist disappeared from his Paris flat; he was seen by passers-by being bundled into a car in the Place de la Bastille. Fellow Rumanian exiles assumed that he had been kidnapped by the Rumanian secret service and had probably been killed. Mr Tanase had been a critic of President Ceausescu's regime in Rumania for many years; and in January, he had published a satirical article in a French magazine entitled "His Majesty Ceausescu, the communist king", in which he had described the extraordinary power and nepotism of the Ceausescu family. The article apparently deeply angered the Rumanian leader.

It seems that four months after the publication of Mr Tanase's attack on President Ceausescu, "Z" approached the French authorities. He explained that he was a Rumanian agent, and that he had been ordered to kidnap Mr Tanase and to murder Mr Paul Goma, another Rumanian dissident in Paris. He said that he was not prepared to carry out his orders, and suggested a counter-plan to foil the Rumanian authorities. The French decided to go along with it.

First, as originally planned, "Z" squirted poison into Mr Goma's glass at a party in April. But a French agent "accidentally" knocked it over before Mr Goma could reach it. This seems to have fooled any other Rumanian agent watching that "Z" was carrying out his orders. Then Mr Tanase was kidnapped by French secret servicemen in a way that made it look as if it had been carried out by "Z".

President Mitterrand denounced the "kidnappping" and on July 28th, announced that he was "too busy" to go on a planned state visit to Bucharest in September. This was generally taken as a protest against Mr Tanase's disappearance. In fact, Mr Mitterrand knew that Mr Tanase was safe and well—because he had been kidnapped by the French secret service, not the Rumanian one.

While French intellectuals were protesting to Rumania about what appeared to be a ruthless killing—modelled perhaps on that of Mr Georgi Markov, a Bulgarian exile writer who was killed with a poisoned umbrella tip in London in 1978 apparently by Bulgarian agents—"Z" returned to Rumania. He collected a medal for his services from the government and then left with his family to return to Paris to "carry on his work". With his family out of Rumania, he felt free to let the cat out of the bag. On August 31st, he gave a press conference together with Mr Tanase who emerged from hiding, where he had spent his time writing a new novel.

The Rumanian embassy in Paris, predictably, has denied the whole story—but it has been confirmed by French officials. The world is more likely to believe the French than the Rumanians. The revelations could prove to be damaging for the Rumanian regime whose reputation has, in any case, been sinking lately.

Rumania badly needs western financial help and American opinion is not likely to be favourably impressed by its cloak-and-dagger work. The Rumanians had been hoping that the American congress would extend "most-favoured-nation" treatment on its exports again in 1983—after a difficult battle this year. A strong lobby in congress against repeating this concession has now built up. It has already collected a good deal of evidence about Rumania's harsh internal policies against religious believers, political dissidents and the Hungarian minority in Transylvania.

The United States is Rumania's third biggest trading partner, after the Soviet Union and West Germany. Trade with the United States was worth $1.2 billion last year; and the Rumanians had been hoping that it would rise to $3 billion by 1985 to enable Rumania to pay off some of its huge debt. The "Z" affair may have put that at risk.

APPENDIX G

LISTING OF NEWS ARTICLES PUBLISHED IN THE WEST ON MINORITY OPPRESSION IN RUMANIA, JULY 1982 TO MAY 1983

"Schwierige Lage der Ungarn in Rumänien: Lázár trifft Ceausescu/Hoffnungen in Budapest" (Difficult Situation of the Hungarians in Rumania: Lázár Meets with Ceausescu/Budapest Hopes), Frankfurter Allgemeine Zeitung (Frankfurt), (July 17, 1982).

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"Rumänien: Endstation Sehnsucht. Die Unzufriedenheit im bankrotten Ostblockland lässt sich nich länger unterdrücken. Im rumänischen Siebenbürgen gründet die ungarische Minderheit eine neue Untergrundzeitung. Vorbild des Dissidentensprachrohrs: Die polnische Solidarität" (Rumania: Terminal of Aspiration. Discontent in this Bankrupt East Bloc Country Can No Longer Be Suppressed. In Rumanian Transylvania the Hungarian Minority Starts a New Underground Periodical. Dissident Spokesmen Take Their Example from Polish Solidarity), Wochenpresse (Vienna), (August 17, 1982).

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"Hungarian-Rumanian Exchange over Transylvania," Reuters (Budapest), (October 26, 1982).

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Vajda, Stephan. "Rumänien - Geschäft: Reise ins Märchenland" (Rumania - Business: Voyage into Fairyland), Ost-Trend (Vienna), (November 1982).

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Agence France Presse. "Intellectuals of Hungarian Minority Held in Rumania" (Paris); "Hungarians Accused of Treason in Rumania" (Paris); "Ethnic Hungarians Reportedly Arrested in Rumania" (Vienna), (November 16, 1982).

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"Repression gegen ungarische Dissidenten in Rumänien" (Repression of Hungarian Dissidents in Rumania), Die Presse (Vienna), (November 18, 1982).

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- No. 1 (December 1981), 8 articles, 20 pp.
- No. 2 (March 1982), 7 articles, 31 pp.
- No. 3 (May 1982), 10 articles, 41 pp.
- No. 4 (June 1982), 14 articles, 55 pp.
- No. 5 (July 1982), 10 articles, 32 pp.
- No. 6 (August 1982), 5 articles, 50 pp.
- No. 7 (August 1982), 13 articles, 34 pp.
- No. 8 (October 1982), 3 articles (including "Memorandum" and "Program Proposal"), 18 pp.
- "Nyilatkozat" (Declaration by Attila Ara-Kovács, protesting mistreatment by authorities), (December 10, 1982), 1 p.
- "Az Ellenpontok különkiadása" (Special Edition, describing arrests and police terror tactics against Hungarian minority intellectuals following publication of "Memorandum" and "Program Proposal" to the Madrid conference, and providing biographical sketches of primary victims), (January 13, 1983), 9 pp.
- "Nyilatkozat" (Declaration signed "by the editors of the samizdat periodical Ellenpontok," in support of joint Hungarian-Rumanian memorandum published in Paris), (January 14, 1983), 2 pp.
- No. 9 (January 1983), 6 articles, 22 pp.
- "Allásfoglalás" (Statement of Position signed by Attila Ara-Kovács, Géza Szöcs, and Károly Tóth as Editors of Ellenpontok), (March 8, 1983), 1 p.

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Chairman **Gibbons**. Thank you.

I am very sorry to hear about the matters that you report. On behalf of the committee, we will bring them to the attention of the Romanian Government.

Mr. **Hamos**. I would very much appreciate that.

Chairman **Gibbons**. Do you have anything you want to add?

Mr. **Gereben**. I am Mr. Gereben.

Chairman **Gibbons**. Oh, yes. We would be glad to hear you. We know you want to be heard.

STATEMENT OF ISTVAN B. GEREBEN, EXECUTIVE SECRETARY, COORDINATING COMMITTEE OF HUNGARIAN ORGANIZATIONS IN NORTH AMERICA

Mr. **Gereben**. Mr. Chairman, my name is Istvan Gereben. I am the executive secretary of the Coordinating Committee of Hungarian Organizations in North America, the consultative body of major Hungarian organizations in Canada and the United States. It is in this capacity that I am testifying today.

We are grateful for the opportunity to express our thoughts in connection with the subject considered today. This year the announcement of the public hearings stated that the Subcommittee on Trade will be particularly concerned with emigration performance in the last year, which is viewed as a condition for continued extension of MFN treatment. In these words we sense a subtle indication of frustration with previous testimonies delivered before the subcommittee on this subject by our committee and others addressing not only emigration but other basic human rights issues in connection with the MFN status of Hungary and Romania. I would like to state that our committee always interpreted the Jackson-Vanik amendment in a broader perspective than addressing emigration from the Soviet Union.

We, and presumably some other witnesses testifying on this subject before this subcommittee in the past, believed and still believe that section 402 of the Trade Act of 1974 represents congressional endorsement of the policy of linkage established long ago by the U.S. Government and maintained by several successive administrations. In this context, we always believed that it is proper, if not mandatory, to assess the performance of these countries concerning the full spectrum of human rights and not narrow the evaluation to emigration rights alone.

With respect to Romania, our member organization, the Committee of Transylvania submitted written testimony expressing our views, and we heard Mr. Hamos on behalf of the Committee for Human Rights in Romania, and we are obviously supporting his statement and his conclusions also.

We call special attention to a new practice implemented recently by the Socialist Republic of Romania treating would-be emigrants. Our understanding is that those applicants who are in the process of buying a home or a condominium financed by the state are being asked to pay the full amount of the purchase price before departure is permitted. Emigrants lose their homes, condominiums, to the state when they leave Romania.

This practice is a discriminatory tax on emigrants. Those who have very little equity in their homes, condominiums, are forced to pay insurmountable amounts to have the privilege to transfer their just-paid-for property to the state without any reimbursement. We recommend that Congress demand the halt of this practice before the approval of the extension of the MFN status to Romania.

With respect to Hungary, we call the attention of the subcommittee to the following:

The Hungarian People's Republic has the most restrictive emigration laws in Eastern Europe. As a consequence, there were no recorded emigrations from Hungary other than family unification cases in the past year. If the condition for MFN is emigration performance, Hungary rates behind Romania and the Soviet Union. The Hungarian emigration laws severely violate the letter and spirit of section 402 of the Trade Act of 1974. This aspect of Hungarian emigration was and is neglected by the President in his recommendation and the subcommittee in its approval of extension of MFN status for the Hungarian People's Republic.

Family reunification cases involving other western countries than the United States which do not have the leverage of section 402 and its yearly review requirement of human rights conditions are still unresolved. Passport regulations, in our opinion part of emigration, freedom of movement issues, are arbitrary and provide the state with a tool of punishment for dissidents. In our written statement, which I ask to be made part of my testimony and printed in the record——

Chairman **Gibbons**. Yes, it will be.

Mr. **Gereben** [continuing]. And in its supplements, we describe many cases of interference by the state with the right of free movement in Hungary.

A long outstanding unique family unification case is still unresolved by the Hungarian regime. I refer to the case of Imre Nagy and others who were executed in the aftermath of the Hungarian Revolution. The Government in Hungary continuously and stubbornly refused to reveal the location of the gravesites where these Hungarians are buried.

In this year, on the 25th anniversary of the execution of Imre Nagy and his associates, many distinguished Americans—Jimmy Carter, Arthur Goldberg, William Buckley, Walter Mondale, Charleton Heston, Clare Booth Luce, Bayard Rustin, Eugene Wigner among them—signed an appeal to the Chairman of the Presidential Council of the Hungarian People's Republic requesting him and his government to identify the gravesites, to permit the recovery of the remains for proper interment by the surviving family members.

President Reagan in a public letter strongly endorsed this appeal, stating: "I commend the efforts to identify the grave of the gallant men and women of the revolution and to secure access to their remains for proper burial, after so many years of anguish on the part of family and friends."

We urge the subcommittee to add the support of Congress of the appeal by conveying the concerns of the American people to the officials of the Hungarian People's Republic and remind them that without the timely and satisfactory solution of the unique family unification cases involving the executed victims of their ascendency to power, the yearly extension of MFN status for the government in Hungary will not be an automatic, periodic exercise.

This is the least of what Congress ought to do if it holds family unification as its primary condition for extending MFN status to Hungary and Romania.

Since trade with Hungary and the conditions under which this trade is conducted are the basic subjects discussed here today, I call the attention of the subcommittee to the speech of the First Secretary of the Hungarian Socialist Workers' Party Janos Kadar, delivered to the party's Central Committee on April 12–13. This speech seems to contradict all arguments used to justify the enthusiastic praise of Hungary's adoption of the principles of market economy, and among other things, it reiterates the trade priorities set for Hungary for the past 25 years.

Our policymakers are well advised to take a closer look at "quasi-capitalistic" Hungary before extending further sweeping monetary, financial, and economic concessions toward the Government in Hungary in order to encourage its so-called free enterprise economic policy. I ask that this speech addressing different aspects of the Hungarian economy, dissent, censorship and the Government's reaction to it be made part of my testimony and printed in the record.

Chairman GIBBONS. Before I do that, after I had allowed you to put your own statement in the record, then you said "and other attachments." I am very generous about letting people put things in the record, but I am going to be careful and ask my staff to please look at these for length, and if it is necessary to take excerpts from them. We just cannot run up the printing bill unnecessarily. We would be happy to consider that.

Mr. GEREBEN. Well, I ask no more than that, sir.

Chairman GIBBONS. All right.

Mr. GEREBEN. Thank you very much.

[The prepared statement follows:]

Statement of Istvan B. Gereban, Executive Secretary, Coordinating Committee of Hungarian Organizations in North America

Mr. Chairman, distinguished members of the Subcommittee:

My name is Istvan B. Gereben. I am the Executive Secretary of the Coordinating Committee of Hungarian Organizations in North America, the consultative body of all major Hungarian Organizations in Canada and the United States. It is in this capacity that I am testifying today before this Subcommittee and presenting our views on the subject under consideration by the distinguished members of the Subcommittee on Trade at this time. We are grateful for the opportunity to express our thoughts in connection with the Presidential recommendation for a further extension of the authority under the Trade Act of 1974 to waive the freedom of emigration requirements under Section 402 and for the continuation of the waivers applicable to the Socialist Republic of Rumania and the Hungarian People's Republic.

This year the announcement of the public hearing stated that "the Subcommittee on Trade will be particularly concerned with emigration performance in the last year, which is viewed as a condition for continued extension of MFN treatment."

In these words we sense a subtle indication of frustration with previous testimonies delivered before the Subcommittee on this subject by our Committee and others addressing not only emigration but other basic human rights issues in connection with the extension of MFN status of Hungary and Rumania.

I would like to state that our Committee always interpreted the Jackson Vanik Amendment in a broader perspective than addressing emigration from the Soviet Union. We and presumably some other wittnesses testifying on this subject before this Subcommittee in the past believed and still believe that Section 402 of the Trade Act of 1974 represents congressional endorsement of the policy of linkage established long ago by the U.S. Government and maintained by several successive Administrations. In this context we always believed that it is proper, if not mandatory, to assess the performance of these countries concerning the full spectrum of human rights and not narrow the evaluation to emigration rights alone.

The fact that the Hungarian People's Republic monitors these hearings with great attention and is sensitive to the gap between its public and official image of its human rights record,is the best justification for the continuati of frequent and thorough assessment of its performance on this field. The fact that there is no outstanding family unification case between the United States and Hungary is a tribute to the effectiveness of these hearings. The fact that the Hungarian government halted criminal investigations against five dissidents last May just before a decision was due on its loan request to the IMF and after a persistent campaign to call the attention of the public and government agencies to the plight of the Hungarian intellectuals proves that linkage works. We believe that the time spent by the Chairman and the members of this Subcommittee listening to independent assessments of the performance of the Hungarian People's Republic on the human rights field is a small price to pay for the results enjoyed by millions of Hungarians.

With respect to Rumania our member organization, the Committee of Transylvania submitted a written testimony. We fully support the conclusions and recommendation of that testimony.

We call special attention to a new practice implemented recently by the Socialist Republic of Rumania treating would be emigrants. Our understanding is that those applicants who are in the process of buying a home or condominium financed by the state are being asked to pay the full amount of the purchase price before departure is permitted. Emigrants loose their homes, condominiums to the state when they leave Rumania. This practice is a discriminatory tax on emigrants. Those who have very little equity in their homes, condominiums are forced to pay insurmountable amounts to have the privilege to transfer their just paid for property to the state without any reimbursement. We recommend that Congress demand the halt of this practice before the approval of the extension of the MFN status to Rumania.

With respect to Hungary we call the attention of the Subcommittee to the following:

- The Hungarian People's Republic has the most restrictive emigration laws in Eastern Europe. As a consequence there were no recorded emigration from Hungary - other than family unification cases - in the past year. If the condition for MFN is emigration performance, Hungary rates behind Rumania and the Soviet Union. The Hungarian emigration laws severly violate the letters and spirit of Section 402 of the Trade Act of 1974. This aspect of Hungarian emigration was and is neglected by the President in his recommendation and the Subcommittee in its approval of extension of MFN status for the Hungarian People's Republic.

- Family unification cases involving other Western countries than the United States which do not have the leverage of Section 402 and its yearly review requirement of trade conditions are still unresolved.

- Passport regulations- in our opinion, part of emigration, freedom of movement issues—are arbitrary and provide the state with a tool of punishment for dissidents. Contrary to the popular perception not all Hungarian citizens enjoy the privilege of having a passport. George Krasso, one of the Hungarian dissidents, applied in vain for a passport for the past 15 years to visit his brother in England. The passport of George Kocsi, a young Catholic priest, was withdrawn recently as punishment for the participation in the Charismatic base communities disapproved by the state. Sandor Csoori the internationally respected writer was denied permission to go to Italy recently as a punishment for writing an introduction to a book authored by a member of the Hungarian minority in Czechslovakia and published here in the United States. Csoori was critical of the Hungarian regime's apathy towards the fate of the Hungarians living in neighboring states. In addition to the denial of permission to leave the country Csoori was banned from publication for a year. There are many similar cases of interference by the state with the right of free movement in Hungary.

- A long outstanding unique family unification case is still unresolved by the Hungarian regime. I refer to the case of Imre Nagy and others who were executed in the aftermath of the Hungarian revolution. The Government in Hungary continuously and stubbornly refuse to reveal the location of the gravesites where these Hungarians are buried. In this year on the the 25th anniversary of the execution of Imre Nagy, many distinguished Americans, Jimmy Carter, Arthur Goldberg, William Buckley, Walter Mondale, Charlton Heston, Claire Boothe Luce, Bayard Rustin, Eugene Wigner among them signed an appeal to the Chairman of the Presidential Council of the Hungarian People's Republic requesting him and his government to identify the gravesites, to permit the recovery of the remains for proper interment by the surviving family members. President Reagan in a public letter strongly endorsed this appeal stating: "I commend the efforts to identify the graves of the gallant men and women of the Revolution and to secure access to their remains for proper burial after so many years of anguish on the part of family and friends."

We urge the Subcommittee to add the support of Congress of the appeal by conveying the concerns of the American people to the officials of the Hungarian People's Republic and remind them that without the timely and satisfactory solution of the unique family unification cases involving the executed victims of their ascendancy to power the yearly extension of MFN status for the Government in Hungary will not be an automatic, periodic exercise.

This is the least what Congress ought to do if it holds family unification as its primary condition for extending MFN status to Hungary.

Since trade with Hungary and the conditions under which this trade is conducted are the basic subjects discussed here today, I call the attention of the Subcommittee to the speech of the First Secretary of the Hungarian Socialist Workers' Party, Janos Kadar, delivered to the Party's Central Committee on April 12-13. In that speech Mr. Kadar reiterated the trade priorities of the government under his leadership by stating:

> "We have had about a quarter of a century one basic rule: we will buy everything from the Soviet Union and from other socialist countries. Whatever we cannot obtain there we will look for in the developing world. Finally, whatever cannot be obtained there either we will purchase from the developed capitalist countries. A country must live and work, an economy must operate."

I wonder how some of our eager businessmen and their supporters in Congress who see great possibilities in trading with Hungary will interpret this statement? Mr. Kadar's remarks concerning the widely heralded private enterprises, whose existence is interpreted by the majority of journalists a few economists and some Congressmen in the United States, as proof of

Hungary's "quasi-captialist" economy are eye opening:

"Finally, I would like to answer the question whether we are working in a socialist or a capitalist manner. Production distribution according to social sectors in Hungary was the following in 1982: 93.1 percent of industrial production was produced by state factories, 5.6 percent by coops, that is, 98.7 percent was produced by the socialist sector, 1.3 percent of industrial production by the private sector. In agriculture in the past year, state farms produced 16.4 percent of production, cooperative farms 68.4 percent, and so-called auxiliary farms 14.2 percent. That is, the socialist sector provides 99 percent of total agricultural production, and the individual farmers--as we put it according to the old concept--or the private sector produced 1 percent. The state conducted 62.2 percent of retail trade, coops 36.7 percent, or 98.9 percent was conducted by the socialist sector and 1.1 by the private sector.

I believe everyone here knows that in our country 98 percent of the means of production is social property, we have eliminated the exploitation of man by man. Therefore, we can maintain that the Hungarian economy is socialist, the methods used in economic life promote socialist building and serve its interests. We need to have a clear picture of this in our entire party and among our federates."

He also noted: "There are small businesses, we need them but the number of participants is relatively insignificant, particularly in relation to their press."

This speech seems to contradict all arguments used to justify the enthusiastic praise of Hungary's adaption of the principles of "market economy." Our policy makers are well advised to take a closer look at "quasi-capitalistic" Hungary before extending further sweeping monetary, financial, and economic concessions towards the Government in Hungary in order to encourage its "free enterprise" economic policy.

I ask that further excerpts of this speech addressing different aspects of the Hungarian economy, dissent and the governments reaction to it, censorship be made part of my testimony and printed in the record.

I also request that several speeches, statements, articles, and letters providing insight to the present situation of the dissidents, the harassment of Hungarian citizens and foreign visitors to Hungáry be made part of my testimony and printed in the record.

SUPPLEMENTS

SUBMITTED BY

THE COORDINATING COMMITTEE OF HUNGARIAN
ORGANIZATIONS IN NORTH AMERICA
IN SUPPORT OF THE COMMITTEE'S TESTIMONY

DELIVERED BY

ISTVAN B. GEREBEN
EXECUTIVE SECRETARY

BEFORE THE SUBCOMMITTEE ON TRADE

OF THE

UNITED STATES HOUSE OF REPRESENTATIVES

CONCERNING

A PRESIDENTIAL RECOMMENDATION TO CONTINUE THE WAIVERS APPLICABLE
TO THE SOCIALIST REPUBLIC OF RUMANIA, THE HUNGARIAN PEOPLE'S
REPUBLIC AND THE PEOPLE'S REPUBLIC OF CHINA AND TO EXTEND THE
WAIVER AUTHORITY UNDER THE TRADE ACT OF 1974

ON

JULY 14, 1983

TRANSLATION FROM THE HUNGARIAN

DECREE NO. 4/1970 (III. 3) KORM. OF THE HUNGARIAN REVOLUTIONARY WORKER-PEASANT GOVERNMENT ON PASSPORTS *

Emigration and Consular Passports

Sec. 12. (1) A passport for final settlement abroad may be issued to a person who has completed the age of 55 years and wishes to depart for abroad for the purpose of living with his parent, child, or spouse, provided that he does not have any liability for support (Law No. IV of 1952) or for civil or public debts.

(2) The decision of approval by the orphan's authority shall be required for the final departure for abroad of a minor child.

(3) The permission of the Minister of Defense shall be required for the final departure for abroad of a person liable to military service.

(4) The Minister of the Interior may grant an exemption from the restrictions defined in paragraph (1) in well founded cases.

(5) An emigration passport shall be issued to a person who wants to leave the territory of the country permanently and requests his release from the bonds of citizenship.

(6) A consular passport shall be issued to a person who wants to leave the territory of the country permanently, but [who] does not request his release from the bond of citizenship.

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* Excerpt from the law

Some Legal Aspects of the Restrictions of Human Rights in Hungary

by Gyorgy Krasso

(Excerpt from the above titled report prepared for the International Helsinki Federation for Human Rights and Published in "Violations of the Helsinki Accords: Report from Hungary, May 1983")

When the Ministry of the Interior refuses to grant a passport to someone, this decision may not be contested in court either, although Statutory Rule No. 20 - enacted in 1978 - declared that foreign travel is the personal right of any Hungarian citizen, and the Hungarian government has undertaken by signing the International Covenant on Civil and Political Rights as well as the Final Act of the Helsinki Conference to allow free emigration and to encourage tourism. According to the provisions of the law, private foreign travel is allowed each person once a year at most, but there are many people who are entirely denied the right to travel. For example, foreign travel may be forbidden to persons who "intend to visit someone who has been staying abroad illegally for a period of less than five years," or "who in the course of an earlier voyage behaved in a manner that is unworthy of a citizen of the Hungarian People's Republic," or who had been "previously convicted," etc. The Ministry of Interior has deprived several Hungarian citizens of the right to travel. Moreover, this was not even done on the basis of Statutory Rule No. 20, but the reasons given were based on Decree No. 53 /1978(XI.10), par. 6, item 1 of the Council of Ministers, which stipulates that the applicant's foreign travel would be against "public order" or "public interest." Passport authorities almost never offer a more detailed explanation. Appeals are rejected on the same basis and - as noted above - the applicant may not contest his case in court.

Two examples: Sandor Lichtenstein, 55, a production engineer who resides at Budapest, IV. Baross u. 59, wanted to emigrate to Canada to join his wife and children. He possessed a visa and all the required certificates. However, his plea for family reunification was rejected by the authorities on the grounds that his travel "would be against the interest of the community." His efforts to obtain permission to emigrate have been unsuccessful since then.

The author of this paper (Gyorgy Krasso, residing at Budapest, I. Fo u. 37 b.) has been trying for the last 19 years to obtain permission to visit his brother in England, but he has never received the passport necessary to travel to the West. His passport for socialist countries has been confiscated as well. The authorities cite the protection of "common interest" or the "public order" as the reason for rejection. A more detailed explanation has been denied to him to this very day. And a number of similar cases might have been mentioned.

APPEAL

TO

PAL LOSONCZI, CHAIRMAN OF THE PRESIDENTIAL COUNCIL OF THE HUNGARIAN PEOPLE'S REPUBLIC

On June 16, 1958 Imre Nagy, Pal Maleter and Miklos Gimes were executed for their role in the Hungarian Revolution. Their remains, along with those of the many others who were similarly put to death, were buried by the authorities in unmarked graves.

On the eve of the twenty-fifth anniversay of the execution of Imre Nagy and his associates we appeal to you and to your government to adhere to the principles of human rights embodied in the Helsinki Final Act by fulfilling the repeated requests of the surviving family members for the identification of the gravesites, for permission to visit the identified burial places and for the recovery of the bodies for proper interment of their executed relatives.

Jimmy Carter

(Rev.) Imre Bertalan

(Rev.) Theodore M. Hesburgh, C.S.C.

William F. Buckley, Jr.

Leo Cherne

Arthur J. Goldberg

Lane Kirkland

Czeslaw Milosz

John Richardson

Ted Solotaroff

(Most Rev.) Philip M. Hannan

(Rev.) Julian Fuzer, O.F.M.

Anne Armstrong

Vladimir Bukovsky

Donald S. Dawson

Charlton Heston

Clare Boothe Luce

Walter F. Mondale

Bayard Rustin

Edward Teller

Eugene Wigner

This letter was read at a commemorative program held on June 16, 1983 in the Mansfield Room of the Capitol and sponsored by Senator Dole and Congressman Horton

THE WHITE HOUSE
WASHINGTON

June 15, 1983

I am proud to join Senator Dole, Congressmen Fascell and Horton, and the Coordinating Committee of Hungarian Organizations in North America in noting this historically significant moment.

June 16, 1983, marks the twenty-fifth anniversary of the tragic execution of Hungarian Prime Minister Imre Nagy, General Pal Maleter, Miklos Gimes, and many others in the aftermath of the struggle for their country's liberty during the 1956 Hungarian Revolution. The valor, dignity, and dedication they displayed in the pursuit of freedom reaffirms our belief in the eventual triumph of the human spirit over totalitarianism. While every freedom-loving American shares the sorrow of this occasion, we all are inspired by the realization that people around the world still yearn for the liberty Hungarians so courageously fought for in 1956.

I commend the efforts to identify the graves of the gallant men and women of the Revolution and to secure access to their remains for proper burial after so many years of anguish on the part of family and friends.

As we remember the events of twenty-five years ago, let us extend our sympathy to the distressed families and friends who pay tribute to the memory of their countrymen who died to further the cause of a free, independent, and democratic Hungary.

Ronald Reagan

THE NEW REPUBLIC

July 11, 1983

Budapest's unquiet dead.

INDECENT BURIAL

FOR TWENTY-SIX YEARS, family, friends, and strangers lit candles and placed flowers on the graves of Section 21 of the main Budapest cemetery on Kerepesi Street. The section, begun in late October 1956, became the burial ground for two hundred fifty men and women, most of them under the age of twenty, who were killed fighting for the Hungarian revolution. The graves are scheduled to be eliminated by the end of 1983.

A year ago cemetery officials—state employees, of course—posted a notice in the cemetery, addressed to the families of the dead. The notice said that Section 21 was being cleared, in accordance with the law that defines twenty-five years as the limit of cemetery use, and that unless the families paid for exhumation (which costs a month's wages) and moved the remains of their dear ones elsewhere, the remains would be trucked to a collective grave in another location.

Officials of the Hungarian embassy in Washington insist that there is no political motive in the decision to vacate Section 21. They say that nine other sections are also being vacated as part of "an aesthetic master plan devised long ago." They say that the task of informing the families affected is being handled "in the most humane way possible." Nevertheless, they acknowledge that families of those who died fighting *against* the revolution did not receive a similar notification about the twenty-five-year limit. Nor is there any indication that sections reserved for the Soviet military and the Hungarian secret police are in any danger of being vacated. When I questioned one embassy spokesman about Section 21, I was cautioned that the issue is "not timely" and that the events of 1956 are "nothing but history which young Hungarians no longer care about." He added that writing articles about Section 21 "does not promote better Hungarian-American relations."

The fact is that Section 21 is the closest thing that exists in Hungary to a memorial for those who died fighting for the 1956 revolution. It is never easy to divine secret objectives, especially in cases where so much public symbolism and such deep personal feelings are involved. But it is hard to believe that the decision to raze such a graveyard is due to aesthetic considerations. Those of us who have welcomed the postrevolutionary regime's considerable progress toward liberalization are puzzled. After all, what does János Kádár stand to gain by stirring painful memories? Can he believe that the leveling of a graveyard really helps erase the memory of those few days when Hungary played center stage in world history? Or is the regime confident that its liberal reputation is so well established and the issue of a little cemetery is so obscure that no one will bother to mention it in print?

BUDAPEST is an Old World capital crowded with marble monuments to martyrs and bronze statues of liberators. The past is an everyday presence, and creating its own version of history is a major concern of every government. The families of the dead fighters in Section 21 were relatively privileged: they were able to bury their relatives themselves. The families of those who were executed after the Soviet invasion of November 4 have been less fortunate.

The executed were interred in unmarked graves, probably in a place known as "the prisoners' cemetery," in the Budapest suburb of Rákoskeresztur. It is surrounded by barbed wire and guarded by soldiers, and no visitors are allowed. The graves are marked only by numbers. Only top officials have access to the ledger that identifies who is buried in which gravesite.

If there are no graves, no one died. If no one died, no one fought for the revolution. If no one fought for the revolution, the revolution did not happen. To this day, almost exactly twenty-five years after the executions of Imre Nagy, Prime Minister during the revolution, and his three co-defendants, it is a state secret where they are buried. Through personal contacts and legal channels, their families have repeatedly appealed to the authorities that they be allowed to visit the graves. The requests are left unanswered.

Last November Pál Maléter, an architect in the Veterans Administration, filed a petition from Washington requesting that the remains of his father be transferred from their present unknown location to the family crypt. His father was General Pál Maléter, the Minister of Defense, whom the Soviets arrested while conducting armistice negotiations. He was the highest-ranking military officer executed after the uprising. Though encouraged by embassy officials to write to the authorities in Budapest, Maléter has not yet received an answer.

A more speedy response was given to a 1981 congressional appeal—addressed to Party Secretary Kádár and signed by Senator Daniel Moynihan and Representative Frank Horton of New York, and Representative Millicent Fenwick of New Jersey—to permit families of the executed revolutionary leaders to visit the gravesites. The Hungarian ambassador, János Petrán, refused to forward the letter and returned it to its senders, explaining that such appeals "are irreconcilable and incompatible with historically established intercourses between representatives of states and with the general trend of Hungarian-American relations."

PRESIDENT REAGAN recently issued a public letter strongly endorsing a new appeal now being circulated which has the signatures of Jimmy Carter, Walter Mondale, Lane Kirkland, and William F. Buckley Jr. Still, the State Department is uncomfortable with the matter of the gravesites. Under both Republicans and Democrats, foreign policy experts have cited Hungary's decentralized economy and its cultural life as a model for other Soviet bloc countries. Hungary was recently recertified as a most favored nation. "Why not concern ourselves with the living?" one U.S. official snapped. Yet it is hard to repress indignation. After the fiercest battles in history, the vanquished were allowed to bury their dead. King David ordered a state funeral for King Saul, the rival who had sought to kill him. Even Khomeini has been punctilious in returning to the families the bodies of his victims.

Privately, Hungarian government officials suggest that there will be no change of policy until Kádár's retirement or death. Kádár, who was once himself convicted of high treason in a Stalinist trial and was freed by Nagy during Nagy's first tenure as Prime Minister in 1953, served in Nagy's 1956 cabinet until, backed by Soviet troops, he formed his own government. One reliable account claims that Kádár was present when Nagy was hanged; the explanation is that the Russians must have forced Kádár, a man known to be temperamentally repelled by bloodshed, to be present. After the judge issued Nagy's death sentence—death by hanging—he refused to appeal for clemency. In his last words at the conclusion of his trial on June 15, 1958, a warm summer Sunday afternoon, he declared: "I am appalled by one thought: that my murderers may rehabilitate me."

Rehabilitation is a ritual that Communists reserve for those of their comrades who were consigned to oblivion by the General Secretary of the day, but who are vindicated in the dialectical fullness of time; and rehabilitation is often formalized by reburial, an important ritual of the Communist cult of the dead. One need not be a Marxist to believe that history will yet revise the aesthetic plan for Section 21 and the unmarked graves in the prisoners' cemetery.

CHARLES FENYVESI

Charles Fenyvesi is a staff writer for *The Washington Post Magazine*.

INDEX ON CENSORSHIP 2/83

Hungary

Bill Lomax

Independent publishing in Hungary

(EXCERPT)

New man in the Kremlin — new line in Budapest

The succession of Yuri Andropov, former KGB chief who was Soviet ambassador in Budapest at the time of the 1956 uprising, to the leadership of the Soviet Communist Party has been followed by a hardening of the official Hungarian line against the unofficial publishers. What had so far found expression only in the form of threats has now been turned into determined police action aimed at bringing an end to the open publication and distribution of samizdat literature.

The signal for the new line was given by Péter Rényi, editor-in-chief of the party daily *Népszabadság*, in an article of 11 December 1982 in which — in tones reminiscent of the darkest periods of Stalinism and the cold war — he attacked the dissidents, and the writer György Konrád in particular, as agents of Western imperialist forces seeking to undermine the socialist order in Hungary. The time had come, he declared, to draw the line between those who offer 'objective, critical observations' and those who engage in 'hostile political activity'.

Three days later, on the evening of Tuesday 14 December, ten minutes before the 'samizdat boutique' of László Rajk was due to open for business, police in considerable strength searched Rajk's flat, seizing duplicating equipment and all the samizdat literature they could find — over 150 titles. The confiscated material filled two minibuses and one estate car. Simultaneously, police raids were carried out at the homes of five other dissidents, where samizdat publications were also produced or stored. The total amount of material seized has been estimated as having a value close on half a million forints.

László Rajk, together with the two editors of the *AB* independent publishing house, Gábor Demszky and Jenő Nagy, were taken to police headquarters for questioning. So were at least five other people detained in the course of the raids. No charges were brought against them, and they were all released in the early hours of the morning. The following day the Party paper *Népszabadság* carried a brief report of the police action.

On the next Tuesday evening, 21 December, when László tried to open his bookshop, the police were again the first visitors. The flat was searched once more and further samizdat material confiscated, though on this occasion the police took no one in for questioning. The week after that, 28 December, the police did not enter the flat, but stopped people in the street who were going there and checked their identity cards. Subsequently, several of these people have been summoned for questioning by the police.

Finally, in an attempt to close down the samizdat bookshop completely, the Hungarian authorities issued László Rajk with a notice to quit his flat by 15 January 1983, on the technical excuse that he was renting two municipal flats in Budapest (the other having been previously occupied by his mother, Júlia Rajk, until her death in September 1981). He was evicted by the police on 25 January. But though he has been forced to leave the flat that has served as an independent bookshop for the past two years, Rajk has made it clear that he will continue to help produce and distribute samizdat literature.

These actions by the authorities have undoubtedly brought an end to a certain phase of oppositional activity in Budapest. Up till now the strategy of the democratic movement has been to act freely and openly, avoiding all forms of conspiratorial or clandestine activity. Relying on the supposed immunity of individuals such as Rajk, and on the regime's reluctance to jeopardise its fastidiously cultivated liberal image in the West, the dissidents felt confident they were safe from police repression.

Yet it was inevitable that there would be limits to the regime's patience and tolerance. And the Hungarian authorities have sufficient sophistication to realise that administrative measures can be at least as effective in clamping down on the samizdat as a policy of arrests, trials and imprisonment.

The future of independent publishing in Hungary now depends on the ability of the democratic opposition to organise itself in a more efficient way, and to win a wider level of support among the population — in the long run the only real defence against the power of the state.■

To the Hungarian Procurator General

On 29 June 1982, twenty leading intellectuals, who included the well-known film directors Miklós Jancsó and Károly Makk, sent the following letter to the Procurator General of the Hungarian People's Republic.

For the past three weeks Gábor Demszky, Jenö Nagy, András Nagy, Ferenc Köszeg and János Kis have been subjected to harassment by organised hooligans. Their pursuers have closely followed them without any inhibitions, brutally impeding their freedom of movement, and throwing obscene and anti-semitic abuse at them, even at their family members and small children too, to the consternation of passers-by. The persons listed above, who appear in the sphere of the 'second publicity' in publications bearing their names, are hardly known to us, but we are familiar with the methods of street harassment employed against them — the anti-semitic jibes, the verbal and physical insults. It was thus with astonishment that we learned that extreme right-wing methods that are beyond the law should make their appearance once again on the streets of Budapest in 1982. Whatever opinions the persons mentioned above may hold, they have been subjected to ill-treatment for expressing their belief in the values of freedom of opinion and freedom of speech. The lessons of our history oblige us to voice our protests at the first sign of politically-inspired street harassment. We do so not only in defence of those whose human dignity has been affronted, but also because, in a world shaken by political hysteria, Hungary has until now been an island where the methods of vulgar politics that are beyond the law could find no place.

We respectfully request the Procurator General, in accordance with the responsibilities and jurisdiction of his office, to enforce the principles laid down in the Constitution of the Hungarian People's Republic, and not allow the repetition of such incidents to produce fear and anxiety among the public.

Budapest, 22 June 1982.

Ferenc Donáth; Imre Cserépfalvi; Dr Imre Hermann; Ervin Vályi-Nagy; Jenő Szell; Endre Bálint; Károly Makk; Jenő Szűcs; Károly Tettamanti; Sándor Scheiber; Gyula Illyés; Emil Kolozsvári Grandpierre; Jenő Barcsay; Hilda Gobbi; Tibor Vilt; Máté Major; Tamás Major; Zoltán Kocsis; Pál Kadosa; Miklós Jancsó.

From Beszélö *No 4, samizdat journal, Budapest, September 1982.*

End of an illusion

The fourteenth of December 1982 saw the end of an illusion in Budapest — that of tolerance. At eight in the evening, plainclothes policemen raided the flat of the 37-year-old architect László Rajk, which had been the symbolic centre of independent literature free of censorship. It was a Tuesday, when the flat is crowded with the buyers who had been coming every week to this 'samizdat boutique'. House searches took place in five other Budapest apartments, as well as in other towns. The police confiscated carloads of paper and printed matter, a duplicator, and several silkscreens. Fifteen people were detained overnight, interrogated and then released. The searches were still going on when Budapest Radio broadcast the police announcement, without mentioning any names. That was how the Hungarian government made public that it no longer wishes to be thought of as more tolerant towards free expression than its partners in the Warsaw Pact. It has criminalised samizdat for the first time, having silently accepted its existence for two years.

Miklós Haraszti, Budapest.

Bill Lomax expelled

On 27 December 1982 the author of our article, Bill Lomax, a lecturer in sociology at the University of Nottingham, travelled by train from Vienna to Budapest in possession of a valid visa issued by the Hungarian Embassy in London at the beginning of November 1982. He was admitted into the country, and during the regular passport inspection on the train his passport was stamped for entry into Hungary. Shortly before arrival at the Eastern railway station in Budapest, however, he was detained by two passport officers and ordered to leave the train with them. After being held for two hours at the railway station, he was accompanied back to the Austrian frontier on the next train to Vienna.

No explanation for the expulsion was given by the Hungarian authorities — neither to Dr Lomax himself, nor to the British Embassy in Budapest who protested to the Hungarian Foreign Ministry about the incident.

This is the first instance for very many years of a British citizen (other than former Hungarian nationals) in possession of a valid visa being either refused entry or expelled from Hungary. Bill Lomax feels that his expulsion represents just one aspect of the new official line against the dissidents — and that similar treatment can now be expected by other writers and journalists if they publish accounts of political and intellectual repression in Hungary.

The following is the translation of a letter, dated June 24, 1983, and written by Mr. Bela Liptak/84 Old North Stanford Rd. Stamford, CT 06905, Tel: 203-325-3922/to his friends. The letter gives account of his experiences during his visit to Hungary in early June of 1983.

" In the first half of this month I was at home /in Hungary/ accompanying the remains of Sandor Kiss on their last journey to the cemetery of Vasarosnameny with his wife Eva and his daughter Zsizsi. The pictures at the right were taken during the burial ceremony.

At the request of Marci Sass I give account about an episode which took place before the funeral: On the train to Nyiregyhaza /from Budapest/ three persons in civilian cloth tried to provoke a fight first by shouting obscenities to my Mother, and then by call me a jew, a queer, etc. and finally they insulted the memory of the Revolution and of those who died during that event. In the meantime they repeatedly warned the other passagers in the compartment that they do not hear anything, do not see anything. After their provocation was unsuccessful, in Nyiregyhaza they tried to take me to the police station. Since they did not identify themselves I refused the demand to follow them. These experiences may contribute to the fact that one day after the funeral /in Nyiregyhaza there was even a scuffle between us/ I found myself in a mental institution where I was treated for a nervous breakdown with electroshock etc."

KADAR SPEECH TO APRIL PARTY PLENUM

Budapest PARTELET in Hungarian No 5, May 83 pp 3-19

[Speech by Janos Kadar, MDZMP first secretary, to the 12-13 April MSZMP Plenum in Budapest 12 April 1983]

"A contrary phenomena is also in evidence in our society, a certain oppositional and in fact in some places inimical commotion to which radios and other propaganda organs supported and financed by the imperialists grant daily support. Numerically these forces are not significant, they are isolated from the masses.

However, behind this commotion there lurks anticommunism and opposition to the socialist system, sometimes independently of the knowledge and will of the participant. We must therefore evaluate their activities in this way.

In the recent period these elements have become somewhat more aggressive. There are certain ones who would like to legalize themselves in order to acquire a forum. In this regard, the party and primarily our Central Committee must present a firm stance: in Hungary the social movements provide broad-scale possibilities, in which every honorable person has a place, the participants represent a varied scale of colors but we shall not legalize hostile endeavors either in the people's front or in the peace movement or in any other area; we shall not tolerate the building up of oppositional bases.

We do not wish to multiply the number of our enemies, we shall not stigmatize anyone, we shall not name anyone as an oppositionist. We must work and strive to win over every person. If finally someone turns out to be incorrigible and is opposed in an organized way to the socialist system, we must let him clearly understand: our party, our federates who progress with us, and the greatest part of Hungarian society are unified in seeing that we shall defend the interests of our people and our socialist achievements by every means and against everyone, in such a way as the situation requires."

"In the following I shall speak of another problem which is being debated to a certain extent in the party and in society, one in which--I believe--the Central Committee will have to take a firm and clear position. In recent years and decades, Hungary has developed, and it has found suitable solutions for its social and economic problems. We may speak of this with assurance but the Western propagandists would make it appear that this is possible in the field of economic life because the Hungarians--they say--use capitalist methods. This same question is also asked, although with a certain concern on our part, in our society and party: "Aren't we using capitalist instead of socialist methods?"

Well, in the end, what methods are we using? What kind of building is underway in Hungary, socialist or capitalist? To clarify this, I would like to recall our quarter-century-old debate, once already concluded, on an earlier problem. I recall, for example, the earliest phase of the post-1956 development when there was a debate over the fact that we put an end to having industrial workers bound to a definite place of work. There was a debate over the fact that we did away with the agricultural collection system and converted to a contractual system. Some people asked me: "From where will the country get its bread?" At that time, I did not know what to answer, but the decision was an urgent one, and we passed the resolution in December 1956. I knew this much: we would not get our bread from the collection system, and I also had confidence that the contractual system would make it possible to buy up the necessary amount. This is what happened. Later, when the socialist reorganization was carried out in agriculture, a debate was waged over household farms. And then for a long time there was a debate over holding a second job. Since then on the basis of experiences, it has become clear that the household farm is an integral part of large-scale, socialist agriculture, it is to the benefit of the country and the individuals engaged in the work. We also regulated second jobs adequately--there is no problem with it. There was a great deal of debate over the economic reform introduced in 1968, the economic guidance system.

Unfortunately, there are still problems in regard to small private businesses. Most recently, the Politburo sought to create some kind of order and to make it possible for us to work with clear concepts and to allow propaganda also to deal unambiguously with the problem. We need to clarify the concept of small businesses in itself. If some state industrial enterprises, with definite industrial goals, divest themselves of or make independent some of their own operations, they remain state industrial enterprises even though they become smaller. The same is true of an agricultural or industrial coop, even though it works with a smaller number of personnel, it remains a coop, a part of the socialist sector. Small trade and small industry, which we are consciously developing, we will continue to call exactly that and we will not call them small businesses. There are small businesses, we need them but the number of participants is relatively insignificant, particularly in relation to their press. Propaganda should not deal with them too much now, let us wait a year, review our experiences, let us put the matters in their proper place; all these forms serve the interest of our socialist goals and of the population.

At present, there is a debate over our indebtedness to the West. Regarding this, I would merely note that a country lives with certain geographical, natural and economic endowments, and no one in the world can change these. We have available a developing production capacity which requires raw materials and energy. We need to import many other things because we cannot produce them ourselves. In this regard, we have had for about a quarter of a century one basic rule: we will buy everything from the Soviet Union and from other socialist countries. Whatever we cannot obtain there we will look for in the developing world. Finally, whatever cannot be obtained there either we will purchase from the developed capitalist countries. A country must live and work, an economy must operate.[8]

"Finally, I would like to answer the question whether we are working in a socialist or a capitalist manner. Production distribution according to social sectors in Hungary was the following in 1982: 93.1 percent of industrial production was produced by state factories, 5.6 percent by coops, that is, 98.7 percent was produced by the socialist sector, 1.3 percent of industrial production by the private sector. In agriculture in the past year, state farms produced 16.4 percent of production, cooperative farms 68.4 percent, and so-called auxiliary farms 14.2 percent. That is, the socialist sector provides 99 percent of total agricultural production, and the individual farmers--as we put it according to the old concept--or the private sector produced 1 percent. The state conducted 62.2 percent of retail trade, coops 36.7 percent, or 98.9 percent was conducted by the socialist sector and 1.1 by the private sector.

I believe everyone here knows that in our country 98 percent of the means of production is social property, we have eliminated the exploitation of man by man. Therefore, we can maintain that the Hungarian economy is socialist, the methods used in economic life promote socialist building and serve its interests. We need to have a clear picture of this in our entire party and among our federates.

We introduced the present economic guidance system on 1 January 1968, and at the time we called it the economic guidance reform. Today we could actually drop the reform concept because we are speaking of a system which has been operating for 15 years. The essence of it is: socialist plan management that takes into account the laws of the market. The characteristic of this system is guidance by economic regulators, the economic plans are not broken down by factories, which work with great independence. This guidance system operates, it is viable.

Nowadays certain ones are raising--in some places in publications--the reform of the reform as a requirement, a demand. As one element of these beginnings, the view has been expressed in certain writings that the state should not interfere in economic life, in economic activity. Although not in writing, the view has also been expressed that the party should withdraw from the economy. The Central Committee must take a firm position in this question and work with clear concepts. We must firmly fix, first of all, that the party will have a decisive role in determining economic policy. Secondly, that in economic work the organizing role of the state will remain throughout the era of building socialism. Thirdly, that we will keep the economic guidance system that has succeeded in practice, its improvement is a constant task, but a new reform, the reform of the reform is not on the agenda. The way matters stand at present this is unnecessary, and in fact would be harmful. Of course, we will have to attend to, maintain, perfect and develop our economic guidance system, we will never be free from this task and problem."

"... we must seriously improve our work also in the area of propaganda, agitation and mass information.

The first condition for doing this is the responsible handling of basic questions. In the press, radio and television field it is not enough that there should be a presentation or that the newspaper should appear. More important than this is the content, what they provide and what they propagate in mass dimensions. Because it is really true that in Hungary one of the characteristics of development is a somewhat greater possibility for individual success and improvement in living standards, but we will not do well if we place the race for material goods excessively in the center of interest. In society and people alike, a dual feature can be observed: socialist thinking has been strengthened but petty bourgeois thinking has also advanced. In recent times there has been a bit if an expansion of indifference toward public affairs, of egoism and selfishness. When these petty bourgeois views appear in mass information we frequently hear reference to the alleged demands and interests of public opinion. The problem is not that simple! Mass information must also think about what kind of demands it arouses with its work, what interest it stirs and nourishes.

There is an increase in the printed press--although more in peripherally placed journals and newspapers as well as on radio and television of disquieting publications which vary from our policy and in fact are in opposition to it which are appearing without the editors or program directors correcting these immediately or at least at the given opportunity. We have no censorship, and we shall not have because there are those responsible in the area who must keep their hand on matters. They are the ones who must be concerned about the kind of mass effects the programs and articles have, particularly if political and ideological matters are in question. I do not like to bring it up, but in certain Hungarian periodicals they sometimes print such economic views that one must ask: Is what they have written a nightmare or are they just pulling our leg? But we hear of open praise and even excuses for stealing. On another occasion, an interview with a workers' guard suggested it is not worthwhile to make any sacrifice. Is this our policy? Is this the propagation of our ideas? We must take these matters more seriously.

I am not saying that mistakes must not appear in the printed press, on radio or television. But then please correct, straighten out these errors. And also express the party's point of view, although sometimes it is not even a matter of the party's point of view. And let us not put up with having old, sometimes decades-old, affairs dug up that arouse feelings against the party and the system."

Excerpts from the English translation of the full text of the speech as published in East Europe Report; Political, Sociological and Military Affairs No. 2151, 10 June, 1983 Foreign Broadcast Information Service

Chairman GIBBONS. Thank you, sir.

I now only have about 3 or 4 minutes to get over and answer this vote, and I will be right back, and we will take up at that time the last panel.

[A brief recess was taken.]

Chairman GIBBONS. All right. Thank you very much.

Ms. Shea, would you like to proceed?

STATEMENT OF NINA SHEA, PROGRAM DIRECTOR, INTERNATIONAL LEAGUE FOR HUMAN RIGHTS

Ms. SHEA. Thank you, Mr. Chairman.

My name is Nina Shea, and I am the program director for the International League for Human Rights. The league is one of the oldest nongovernmental international human rights organizations. Founded in 1942 and based in New York, it works on a broad range of human rights issues in such diverse countries as El Salvador, Iraq, South Africa, and East Germany as well as Romania. The league's family reunification project works currently on behalf of over 500 Romanian families who are unable to leave to rejoin relatives living elsewhere.

My testimony today is based on data concerning 180 of these cases who have appealed again to the league within the past 90 days.

Mr. Chairman, I would like to submit these names to you for you to consider including them in the record.

Chairman GIBBONS. We will be glad to have them and put them in the record.

Ms. SHEA. Thank you very much.

Each case has been systematically documented by us through continuing correspondence with close family members in the West, and where possible, with the victims themselves. Of these cases, 111 reveal instances of particular hardship. Merely for trying to leave, some of these families have faced punishment under the Romanian criminal code; some have suffered de facto reprisals, and a number have been forced to endure interminable delays in the processing of their exit applications. The urgency of the circumstances in each of the 111 cases prompts me to draw them to the subcommittee's attention today and to make the recommendation, Mr. Chairman, that before deciding on the Presidential waiver of section 402, this subcommittee strongly urges the Romanian Government to take the following steps.

One, provide information regarding progress on the pending emigration cases described in today's hearing and facilitate their resolution.

Two, undertake efforts to simplify, publish domestically and insure the uniform application of emigration procedures.

Three, declare null and void the education reimbursement decree in a public statement widely distributed within Romania.

And four, put an immediate stop to all reprisals and abusive practices against those who seek to emigrate.

Finally, I request that the members of this subcommittee help those Romanians who have been granted permission to leave and who wish to come to the United States to acquire proper U.S. immigration approval.

Many of the league's cases involve family members who wish to emigrate to join relatives abroad. As a result of travel denials, husbands are separated from wives and children from parents. Even in the most compelling circumstances, denials are common.

One of the league's cases is Elena Nicolaescu, who has applied to no avail to leave Romania in order to help her sister abroad who is in urgent need of an operation and requires her care. The Petruscu family wishes to go to the assistance of their grandfather who is gravely ill. They are not permitted to leave. Elizabeth Reiger has been trying for 5 years to receive permission to go abroad to visit her father who is ailing, yet she has not even been able to obtain the forms necessary to begin the application procedure.

In other cases the applicant needs to travel to receive medical care unobtainable in Romania. Mihai Demeny has applied to go to West Germany for adequate medical attention for diabetes and partial paralysis from which he has been suffering. His daughter, who lives there, would care for him. Edith Schuller requires corrective treatment currently unavailable in Romania for a congenital back disorder. She, too, is unable to leave.

The inordinate delays in Romania's emigration application process noted in last year's league testimony continue. Partly responsible are the cumbersome and obscure procedures of the process, coupled with the bureaucratic indifference of officials. Applying to emigrate is a two-level process in which applicants must acquire, submit and receive decisions on both a short and long application form. A number of individuals have reported to us that even obtaining the forms can be a frustrating and patience-testing process. On more than one occasion it has been reported to us that after filing the applications, one or both of the forms have been lost or filled out incorrectly, such as containing a minor misspelling, giving officials an excuse for requiring the entire process to begin anew.

However, the length of delays in many cases are so extended that simple bureaucratic inefficiency cannot be blamed. The league has documented 29 cases of families who first applied to leave more than 20 years ago; 17 other families who applied between 20 and 15 years ago; and another 13 families who applied between 15 and 10 years ago. Some of these families have submitted as many as 20 applications without success. Many have never received any response to their applications, while others have received flat denials without explanation. There can be no doubt that such inaction reflects an intent by the authorities to deny citizens their right to leave.

An education tax decree in the past year gives new reason for concern, despite government assurances that it has been suspended. The league has documented over 30 instances in which Romanian families applying to leave have been assessed an education tax. Just this past spring, one family known to the league, the Possmayers, whose case the league brought to the attention of this committee at last year's hearing, paid the tax, amounting to $3,700. It was readily accepted by the Romanian Government.

To date, we are not aware of any individual assessed an education tax who has been able to leave without paying it, to our knowledge, the Romanian Government has not rescinded the decree, nor has it published within Romania any announcement concerning its intention to suspend its provisions.

The International League regrets to report that a variety of reprisals against would-be immigrants continue to be reported by the families represented in our caseload. For some, these practices signify a continued campaign of intimidation against them, the same factors which initially prompted their desire to leave. For others, this treatment may mark the beginning of a long and torturous ordeal.

The forms of abuse found in our documentation include arbitrary arrest and detention; police beatings, surveillance, and other types of intimidation; discrimination in employment, education and housing; confiscation of property; the denial of medical treatment; and threats of imprisonment or involuntary internment in psychiatric institutions. These reprisals are in themselves violations of fundamental human rights.

There is one final issue I would like to raise, Mr. Chairman. Twenty-one of the league cases have applied for immigration to the United States. At least five of them are still waiting for U.S. Immigration approval. Two, Sylvia Stan and Sabin Gane, have received permission to emigrate from Romanian authorities and have been issued passports, but they have been denied U.S. visas.

Sylvia Stan obtained her Romanian visa in late 1982 after a 3-year wait. She has not been able to leave Romania, however, because the American Embassy has not granted her a visa. She reports that every 2 months she must pay to have her visa validation extended beyond the initial 6 month limit. She must also pay a tax for living in Romania as a noncitizen, a status she acquired when permission to leave was granted. Her visa will next expire at the end of this month, and she is reportedly not entitled to a further extension. Because her desire to go to the United States is well known, she fears persecution should she be forced to stay in Romania.

Sabin Gane and his two children want to join his wife and their mother in New York. Mr. Gane received a passport valid for 1 year on June 11, 1982. He has not succeeded in obtaining a U.S. visa, however, and his passport has now lapsed. He has been dismissed from his position at work and he has been assessed an education tax of $20,000.

The cooperation of the United States is needed to facilitate emigration and to alleviate the hardship in these cases.

That concludes my statement. Thank you.

[The prepared statement follows:]

STATEMENT OF THE INTERNATIONAL LEAGUE FOR HUMAN RIGHTS ON ROMANIA

Introduction and Recommendations:

After the 1975 signing of the Final Act of the Conference on Security and Cooperation in Europe ("the Helsinki Accords"), the International League for Human Rights began receiving a steady stream of personal appeals on behalf of Romanians who were denied the right to emigrate to rejoin family members abroad. Out of this has grown the League's "Family Reunification Project." Today the project works on behalf of over 500 Romanian families who are unable to leave to rejoin relatives living elsewhere.

Our testimony today is based on data concerning 180 of these 500 cases who have appealed again to the League within the past 90 days. (See Appendices I and II). Each case has been systematically documented by the League through continuing correspondence with close family members in the West and, where possible, with the victims themselves.

One hundred and eleven cases have been selected from the overall

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[1] The International League for Human Rights is one of the oldest, non-governmental international human rights organizations. Founded in 1942, and based in New York City, it works on a broad range of human rights issues concerning countries in all regions of the world. Some current League projects address human rights violations in such diverse countries as Nicaragua, Iraq, Chile, East Germany, South Africa, Taiwan, El Salvador and Northern Ireland. The League also works closely with a network of forty affiliates in some thirty countries throughout the world.

[2] The invaluable assistance of Erica Zolberg, Judy Richmond, Ruth Axelrod and Rachel Alekman in the preparation of this testimony is gratefully acknowledged.

Project because they reveal instances of particular hardship. Merely for trying to leave, some of these families have faced punishment under the Romanian criminal code; some have suffered de facto reprisals; and a number have been forced to endure interminable delays in the processing of their exit applications. The urgency of the circumstances in each of the 111 cases prompts us to draw them to the Subcommittee's attention.

The right to emigrate freely is a requirement of the Jackson-Vanik amendment; it is also guaranteed in basic international human rights instruments.[3] In addition, family reunification is an important provision of the Helsinki Accords.

Senator Jackson, a principal author of the amendment, has described the right to leave as "the touchstone of all human rights" and "the traditional final lifeline for victims of racial, religious, and political persecutions."[4] Our Family Reunification casework has revealed all too poignantly that this is so. This conviction has spurred us to monitor the right to leave in many countries throughout the world, including Romania. It has led us to bring appeals privately before numerous government authorities and in the United Nations. It is prompting us now to plead before this Subcommittee on behalf of 500 Romanian families.

Unfortunately, we have also found that the Romanian emigration process is characterized by arbitrariness, long delay and reprisals. Instead of serving to remedy the plight of the kinds of victims Senator Jackson spoke of, this process is all too often being employed to maintain injustice.

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[3] Article 12 of the International Covenant on Civil and Political Rights, to which Romania is a party, provides that "Everyone shall be free to leave any country including his own."

[4] Congressional Record, December 10, 1975, and June 14, 1977, Senator Jackson.

We, therefore, recommend that before deciding on the Presidential waiver of Section 402, this Subcommittee urge the Romanian Government to take the following steps.

(1) Provide information regarding progress on the pending emigration cases described in today's hearing and facilitate their resolution;

(2) Undertake efforts to simplify, publish domestically and ensure the uniform application of emigration procedures;

(3) Declare null and void the Education Reimbursement Decree in a public statement widely distributed within Romania; and

(4) Put an immediate stop to all reprisals and abusive practices against those who seek to emigrate.

Finally, we request that the Members of this Subcommittee help those Romanians who have been granted permission to leave and who wish to come to the United States to acquire proper immigration approval.

Romanian Laws Concerning Emigration

The right to leave is not safeguarded in Romanian law: it is not mentioned in the current Romanian Constitution of 1965, as amended, and there are no specific domestic laws guaranteeing the right to leave. On the contrary, various provisions stipulate lengthy and complex conditions for acquiring exit visas and passports. In the absence of legal guarantees to protect citizens' rights to leave, the State's claim of the right to control the movement of its citizens goes unchallenged. Under provisions of passport decrees, criminal code, and civil laws which legislate movement across the country's borders, the State exercises unharnessed power to determine who may leave, when, and under what circumstances.

The Government of Romania frequently assures the international community that it uses these powers in a manner which fully comports with its obligations under international human rights law. It has even gone so far as to state unequivocally that "Romanian citizens are also able to travel to any country in the world for personal reasons or as tourists."[5]

At best this is misleading. The following examination of Romanian domestic law reveals that the right to leave is severely qualified even on the face of the legislation. A review of the League's extensive caseload later demonstrates that these laws are indeed applied to result in an alarming curtailment of emigration rights.

Article 12 of the Romanian Decree on Passports provides for complete government discretion in the issuance of documents for foreign travel. It empowers Romanian authorities to deny or withdraw a passport when "by going abroad, [a Romanian citizen] could prejudice the interests of the Romanian State or affect the good relationship thereof with other states."[6] The vague wording of this decree permits arbitrary denials of passports and contemplates restrictions on the right to leave far exceeding those permitted under international law, namely "those necessary to protect national security, public order, public health or morals or the rights and freedoms of others."[7]

Other legal provisions ensure strict State regulation of movement from the country:

--One decree governing travel limits the validity of exit visas to only six months from the date of issue.[8]

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[5] See e.g., UN document CCPR/C/1/Add. 33, pp. 12 and 13, 31 August 1978, Report of the Government of Romania to the UN Human Rights Committee under Article 40 of the International Covenant on Civil and Political Rights.

[6] No. 156 of March 24, 1970, Article 12 c.

[7] See, The International Covenant on Civil and Political Rights, Article 12 (3).

- --Another stipulates that personal travel is permitted only once every two years, with certain exceptions regarding family reunification or obtaining medical care.[9]
- --Yet another makes State permission for personal travel contingent on "the limits of available foreign currencies as established for this purpose through the annual State Plan and in accordance with the criteria and preferential order established by the Resolution of Council of Ministers."[10]
- --Before being permitted to leave to marry a foreign national, citizens must also seek and receive separate permission to wed from the Romanian Parliament.[11]

There is no possibility for independent judicial review, of State denials of permission to travel. Under the Passport Decree, a commission of the Council of Ministers has final say concerning "all activities of issuing passports and visas, including...resolving the complaints against the decisions taken by the other authorities charged with the issuance of passports and visas."[12]

Those who peacefully try to exercise their right to leave, against Government wishes, face harsh criminal penalties. An unauthorized crossing of the State border, or an attempt to do so, is punishable by imprisonment from six months to three years. Mihai Petrescu, whose case has been documented by the League, was sentenced to eight months imprisonment after his attempt in 1972 to cross the Romanian border without official authorization; although he has fully served the sentence, he continues to be denied

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[8] Decree No. 156 of March 24, 1970, Article 27.

[9] Resolution No. 424/1970, Article 10d, e.

[10] Passport Decree No. 156 of March 24, 1970, Article 15. (Emphasis added).

[11] Civil Code, Article 134

permission to leave. Peter Lung, also among the League's caseload, was apprehended while attempting to cross the Romanian border into Yugoslavia and sentenced to a six-month prison term which ended on June 3, 1982. At that time, because of a hearing problem, he was trying to go abroad for medical treatment which he could not obtain in his country.

Selective Application

As noted above, Romanian law exempts travel for purposes of family reunification and for obtaining medical care from certain restrictions applicable in other cases of personal travel (Resolution No. 424 of 1970). We have found, nevertheless, that in practice travel from Romania is severely and routinely limited irrespective of the would-be traveler's purpose.

Many of the League's cases involve family members who wish to emigrate to rejoin relatives abroad. As a result of travel denials, husbands are separated from wives, and children from parents. Even in the most compelling circumstances denials are common.

Elena Nicolaescu has applied to no avail to leave Romania in order to help her sister abroad, who is in urgent need of an operation and requires her care. The Petruscu family wishes to go to the assistance of their grandfather, who is gravely ill. They are not permitted to leave. Elisabeth Reiger has been trying for five years to receive permission to go abroad to visit her father who is ailing, yet she has not even been able to obtain the forms necessary to begin the application procedure.

In other cases documented by the League, the applicant needs to travel to receive medical care unobtainable in Romania. Mihai Demeny has applied to go to West Germany for adequate medical attention for diabetes and

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[12] Decree No. 156 of March 24, 1970, Article 8b.

partial paralysis from which he has been suffering. His daughter, who lives there, would care for him. Edith Schuller requires corrective treatment currently unavailable in Romania for a congenital back disorder. Her sister, Elisabeth Roth, also sought medical care outside Romania. She suffers from paralysis, heart disease, asthma, ulcers, and arthritis.

A Lengthy and Cumbersome Process

The inordinate delays in Romania's emigration application process, noted in last year's League testimony, continue.

Partly responsible are the cumbersome and obscure procedures of the process, coupled with the bureaucratic indifference of officials. Applying to emigrate is a two-level process in which applicants must acquire/submit and receive decisions on both a "short" and "long" application form. A number of individuals have reported to us that even obtaining the forms can be a frustrating and patience-testing process. On more than one occasion it has been reported to us that after filing the applications, one or both of the forms have been "lost" or filled out incorrectly--such as containing a minor misspelling--giving officials an excuse for requiring the entire process to begin anew.

However, the length of the delays in many cases are so extended that simple bureaucratic inefficiency cannot be blamed. The League has documented 29 cases of families who first applied to leave more than 20 years ago; 17 other families who applied between 20 and 15 years ago; and another 13 families who applied between 15 and 10 years ago. Some of these families have submitted as many as twenty applications without success (Schmidt, Weiss, Muller, Wenzel, Louis, Kreuter). Many have never received any response to their applications, while others have received flat denials without explanation. There can be no doubt that such inaction reflects an intent by the authorities to deny citizens their right to leave.

"The Education Tax"

Last year, the League recommended that Romania "simplify" and "regularize" its emigration process. This has not occurred; to make matters worse, in the past year the Government has added yet a further complication: a new decree imposing a stiff "education tax" on would-be emigrants. Individual payments running into the tens of thousands of dollars have been assessed.

Known as the "Education Repayment Decree" of November 1, 1982, it requires emigration applicants, except those above retirement age, to repay in "hard currency" the cost of education received beyond the compulsory level (10 years of schooling). It is not surprising that this decree has been termed "draconian" by Secretary of State George Shultz. Such sums of money are above the reach of most Romanians who wish to emigrate. Since Romanian citizens are not permitted to own foreign currency, and their own is not convertible, even a well-to-do Romanian family which wants to leave cannot buy its way out without help from abroad. This tax is clearly designed to be a virtually insurmountable obstacle to emigration.

The League has documented over thirty instances in which Romanian families applying to leave have been assessed an education tax. Just this past spring, one family known to the League--the Possmayers (whose case the League brought to the attention of this Committee at last year's hearings)--paid the tax, amounting to $3,700; it was readily accepted by the Romanian Government.

An examination of these cases reveals an arbitrariness in the implementation of the tax which is symptomatic of the overall arbitrariness found in the process of passport issuance in Romania. The tax has not been uniformly applied. In the Pihuleac case, both spouses are physicians; they have been assessed an education tax of $45,000. However, the Vlad family, which includes two medical doctors, was permitted to emigrate this Spring without being required to pay any tax.

Although the decree exempts pensioners from the tax, the League has documented at least one instance indicating a breach of this provision. In the case of the Kahles family, the emigration of the elderly parents has been made contingent on the payment of $17,000 for the "reimbursement" of the education received by the couple's son and granddaughter, who also seek to emigrate. Since none of the family is permitted to leave until the tax is paid, the pensioners themselves, in effect, are being subjected to the tax.

Implementation of the education tax decree constitutes a clearcut violation of the Jackson-Vanik Amendment. Under the Amendment, most-favored-nation treatment is not to be afforded "a country which imposes more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever...."[13]

Such an "education tax" is precisely the type of "ransom" to which Senator Jackson referred in urging the passage of section 402 of the Trade Act.[14] The Jackson-Vanik Amendment was enacted largely in response to a decree in the Soviet Union imposing a similar "diploma tax" on would-be emigrants. Just as Romania's President Ceausescu assured the United States Government on May 18th this year that the "education tax" will not be implemented, the Soviet Union assured the "suspension of the "diploma tax" in Spring 1973. In the House hearings on the proposed amendment in 1973, many witnesses urged that the mere suspension of the tax would not solve the problem of free emigration. It was argued that "it is the arbitrariness, and not the law of the education tax...which remains the main weapon of the authorities in their selective emigration policy."[15] The League believes that the same problem applies in the case of emigration from Romania. Even now, the Romanian emigration process is fraught with arbitrary, discriminatory, and dilatory practices. The education tax decree, if left intact "on the books" (even if suspended de facto), will still be available to authorities to deter, harass, discriminate against or otherwise subvert the right of Romanians to leave their country. To date, we are not aware of any individual assessed an education tax who has been able to leave without paying it. To our knowledge, the Romanian Government has not rescinded the decree; nor has it published within Romania any announcement concerning its intention to suspend its provisions.

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[13] P.L. 93-618, Title IV, Section 402.

[14] Congressional Record, September 27, 1972, Senator Jackson.

Reprisals Experienced by Applicants

At last year's hearings, The League noted that in addition to the problems and frustrations encountered during the application process itself, a large number of applicants are forced to suffer other reprisals and forms of harassment. The International League regrets to report that a variety of reprisals against would-be emigrants continue to be reported by the families represented in our caseload. For some, these practices signify a continued campaign of intimidation against them--the same factors which initially prompted their desire to leave; for others this treatment may mark the beginning of a long and torturous ordeal.

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[15] Fed. Reg., June 6, 1973, Richard Maass, Chairman, National Conference on Soviet Jewry, p. 3666

The forms of abuse found in our documentation include arbitrary arrest and detention; police beatings, surveillance and other types of intimidation; discrimination in employment, education, and housing; confiscation of property; the denial of medical treatment; and, threats of imprisonment or involuntary internment in psychiatric institutions. These reprisals are in themselves violations of the fundamental human rights enshrined in the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights.

At least fifteen of the League-documented cases report that they have suffered harassment at the hands of the police in connection with their desire to emigrate.

One of the most severe cases of reprisals reported to the League concerns the Galalae family. After the head of the household, Dr. Costel Galalae, applied for permission to join his wife and three of his children in West Germany, he was subjected to arrest and imprisonment on two occasions--in February and again in June 1982. In addition there were police searches of his home, and threats and denials of medical care. His patients, colleagues, and friends were repeatedly summoned to the Security Police office where they were forced to sign declarations that he politically opposed the Government. His niece, Paruschiva Galalae, was reportedly beaten by police for refusing to sign such a declaration. During his second period of detention, beginning on June 14, 1982, Dr. Galalae was taken to Poarta-Alba prison, where he was forced to do heavy labor. Despite a diseased liver, for which he has twice undergone surgery, a dangerous heart condition, an abdominal rupture, a brain spasm and fainting spells, he reportedly has received no medical treatment. On October 22, 1982, in Dr. Galalae's absence, an Appeals Court in Constanza sentenced him to four years in prison, reportedly for opposing the Government. After visiting Dr. Galalae in November, his sister has averred that he is between "life and death." On humanitarian grounds, the League urges that Dr. Galalae be permitted to receive competent medical care, as well as allowed to exercise his right to leave the country.

In another case involving reports of police brutality, the applicant, Vasile Tolan, Jr., reports being beaten by the local police after applying for permission to leave. Another example, Margaret Neumann, was summoned three times to the police station at night for interrogation about her desire to leave, during which time her young children were forced to stay at home alone. The Koos, Stefanescu and Wester families report that after applying to emigrate, their telephones have been monitored and their mail intercepted. The Ionescu and Banu families report being threatened by authorities after seeking permission to emigrate. Vasile Tolan, Sr. reportedly, was warned that if he persists in his desire to leave the country he will be forced to undergo psychiatric treatment.

Discrimination in Employment and Education

In Romania, the unemployed are often treated as second-class citizens and may even be criminally prosecuted for "parasitism." Therefore, dismissal from employment can be a severe sanction for an emigration application and an effective deterrent for others who might like to apply. A number of individuals in League-documented cases were fired from their jobs soon after requesting permission to emigrate. According to our case files, twelve persons, apparently blacklisted from employment, have yet to find other work although they are skilled in their professions. Included in the

League's group are an aerospace engineer (Bogdan), physicians (Pihuleac), a hydropower expert (Gane), and teachers (Banhegyi, Blesz, Dengel, Dimitrescu, Kahles, Neumann). The case of Alexander Bogdan is particularly disturbing; an aerospace engineer fired almost two years ago, he reports being shut out of ten jobs in his field, and remains unemployed today.

In other cases, emigration applicants have been demoted to lower-paying positions far beneath their capabilities: for example, professors are being forced to work as unskilled laborers in factories (Ierugan, Ionescu, Schuller); a veterinary surgeon is working as a menial farm laborer (Stefanescu); and a factory foreman has been obliged to perform the tasks of a common laborer (Sollner).

Another work-related reprisal constitutes the transferral of some family members to work-sites located a great distance away from their homes, resulting in the forced separation of families and friends even within the country. Decebal Dimitrescu, an engineer, has been transferred to a job 300 kilometers away from his family and home of 25 years; Stefan Stefanescu, a veterinary surgeon, was moved to a job 140 kilometers from his wife and child; and Mihail Vrabie was demoted to a lower-paying job 150 kilometers from his family.

Students in families applying to emigrate have reported discrimination with regard to education. A number of families report that their children have not been permitted by authorities to enroll in school (Gane, Dengel, Sauer). Gertrude Deffert was informed, after she applied to leave, that she would not receive the academic degree she had earned.

Economic Sanctions

In addition to the economic hardships resulting from job dismissals and demotions, emigration applicants sometimes suffer other economic sanctions which aggravate their position.

These measures include eviction from homes (Galalae) and confiscation of personal property (Wester). Many emigration applicants are deemed ineligible to receive State benefits such as medical and dental care, hospitalization and pensions.

In addition, some applicants, on the basis of Government assurances that permission to leave is imminent, have sold their possessions and resigned from their jobs, only to face long waits before the permission is granted.

Romanian Emigration to the United States

Twenty-one of the League cases have applied for immigration to the United States (Andreiovici, Banu, Barbulescu, Bogdan, Cotruta, Diaconu, Gane, Ionescu, Lupulescu, Miron, Nicolaescu, Paun, Pihuleac, Stan, Strat, Tolan, Tolan, Usineviciu, Vasilescu, Vasilescu, Vrabie). At least five of them are still waiting for United States' immigration approval. (Cotruta, Gane, Stan, Strat, Usineviciu). Two, Sylvia Stan and Sabin Gane, have received permission to emigrate from Romanian authorities and have been issued passports, but have been denied United States visas.

Sylvia Stan obtained her Romanian visa in late 1982 after a three-year wait. She has not been able to leave Romania, however, because the American embassy has not granted her a visa. She reports that every two months she must pay to have her visa validation extended beyond the initial six month limit. She must also pay a tax (1,000 lei) for living in Romania as a non-citizen,--a status she acquired when permission to leave was granted. Her visa will next expire at the end of July, and she is reportedly not entitled to a further extension. Because her desire to go to the United States is well-known, she fears persecution should she be forced to stay in Romania.

Sabin Gane and his two young children want to join his wife and their mother in New York. Mr. Gane received a passport valid for one year, on June 11, 1982. He has not succeeded in obtaining a U.S. visa, however, and his passport has now lapsed. In order to qualify for a new passport, he was told that he must pay an education tax of $20,000. He was dismissed from his position at the Hydro Power Institute in Bucharest on the day he received his passport and reports not being able to get work. He is denied medical care and is being threatened with eviction.

The cooperation of the United States is needed to facilitate emigration and alleviate hardship in these cases.

Conclusion

The right to leave is not secured in Romania. Although a number of Romanian citizens are allowed to emigrate each year, there are many who cannot. The League has documented the cases of 500 families who currently are being denied permission to leave Romania.

Romanian procedures concerning emigration are cumbersome and arbitrary. After applying for permission to leave, Romanian citizens face long delays, discrimination and harsh reprisals. An education tax decreed in the past year gives new reason for concern despite Government assurances that it has been suspended: the cases of thirty families documented by the League who were assessed the tax have yet to be resolved and bear monitoring.

APPENDIX IA

PRIORITY CASES:

REPRISALS

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
ALBU	Lucien, 8/28/48 Alia, 6/1/75 Darius 11/6/78	Soseaua Colentina#76 BlocIII, Scara A, Ap32 Etaj 7 Sector 2 Bucuresti 72446 O.F. 11	6/82	12/82	FRANCE	Wife of Lucien	$5000
AWENDER	Susanna,11/11/52 Georg, 12/6/50 Jurgen, 6/5/73 Erwin 2/2/75	1981 Giarmata Str. Johannei No: 1110 Judetul Timis	7 times between 1972 & 1983.	7 times dates unknown	FRG	Andreas & Johanna Stoffel (parents of Susanna)	
BANHEGYI	Eva Klara 1971 Zoltan 1977	Tirgu Mures Pasajul Violetelor Nr.5 Apartment 23	10/81 2/82	Issued passport application 1/4/83 Received passport 3/24/83	CANADA	Husband Zoltan Banhegyi	$24,45
BANU	Ioan, 10/6/41 Eugenia,6/28/44 Ligia, 1/22/69 Alin, 8/13/70 Teofil, 12/5/71	Str.Poetuliu No.6½ Bloc Z4 ScB I Ap.6 Arad,	2/28/78	4/5/79	USA	Ioan's sister Maria Motz	$30,000
BARBULESCU	Dan Mircea,8/4/50	Intrarea Maior Alexandru Cimpenu nr 6 Bucuresti VIII	10/5/81	12/18/81 9/1/82 4/1/83	USA		
BARTOLF	Elisabeth,9/29/12 Adam,7/10/39 Nikolaus,6/9/35 Hilde,8/27/38 Norbert,5/7/61	2952 Semlac 428 Judet Arad,	1961 1964 1967 4/77	1982 1965 1968 9/77 (Nikolaus) 6/78(Adam & Elisabeth)	FRG	Katharin Schoen, niece	
BINDER	Andreas,3/23/16 Anna, 10/21/21 Andreas Jr., 9/28/56	Comcata Nr.273 Jud. Brasov Cod.3044	2/28/77 6/6/80	12/4/78 6/15/81 9/5/82	FRG	Sister of Andreas	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
BLESZ	Josef, 9/12/30 Rosi, 8/30/34 Horst, 3/20/56 Lore, 5/5/59	1995 Ortisoara 312 Judetul Timis	7/80 9/2/81 (#50/51) 10/27/81 (#62/21) 1/22/82 (#361) 8/27/82	Dates unknown	FRG	Maria Blesz, mother	$37,000 for Horst and Lore
BOGDAN	Alexandru, 9/19/53	Bdul.N.Balcescu no.24 B/5 70122 Bucharest.	9/20/80 (241412)	1/22/81 1/5/82 3/23/83 5/20/83	USA	Fiancee Angela V. Nalbantu	$18,500
BOHN	Jakob, 9/20/34 Elisabeta 6/28/35	Communa Tomnatio 458 Judetul Timis	1958 Twelve subsequent applications	1955-8/20/82 & 12 others between those dates	FRG	Desiderius Schaag, father	
CARANICA	Ana-Dorothea 6/5/48 Simona-Gabriela 6/8/75 Felip-Nicolae 12/15/77	Str. Berzei 47 Bucharest	6/18/82 10/25/82	dates unknown	FRG	Mihai Ceranica Husband	$15,700
CIRY	Juliane 10/1/18 Erika 8/14/54	Str.Galilae 20 Timisoara 1900 Fratelia Circ VI	6/20/78 6/80 11/80 2/81 3/8/82	2/22/79	FRG	Brother, Rudolf Ciry	DM9,000
UNKNOWN Daughter & Husband of Tudor Cotruta and their 2 children		UNKNOWN	UNKNOWN		USA	Tudor Cotruta	$7,400
DEFFERT	Horst, 10/7/49 Gerlinde (nee Fra nhoffer) 2/17/51 Dietmar 1/31/75	1954 Grabati, Bloc 1AS, Apt. 18, Judetul Timis	1/13/65 8/25/70 4/80 1/81 1/25/83	6/65 8/72 4/80 8/80 (#240840)	FRG	Peter Anton & Maria Deffert Parents	$18,700 $15,700

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
DEMENY	Mihai,3/13/25 Hilde,9/7/31	1963 Periam 971 Timisoara			FRG	Daughter Judith Wagner	
DENGEL	Georg. 2/13/44 Elisabeth 9/12/46 Dieter,5/3/67 Edith,5/3/68	Str. Ogorului 27, 2400 Sibiu	1973 1975 1978 1979 2/81 (#27973) 1/[illegible]/82	1973 1975 1978 1979 2/81	FRG	Sigrid Schneider	
DEPPNER	Rosina,8/10/12 Andreas,12/14 '02 Rosina. 3/17/32	2463 Seica Mare 122 Jud Sibiu	Dates UNKNOWN	Dates UNKNOWN	FRG	Daughter & sister in FRG	
DIACONU	Puiu, 2/19/43 Ana-Madalina 9/10/68	Str. Vicina 1, Bloc 32, etaj 3 ap. 19, sector 5 Bucharest	8/81 10/81 5/10/82	10/21/81 5/5/82 1/11/83 (#0196963)	USA	Virginia V. Diaconu	$21,700
DIMITRESCU	Ecaterina 9/24/24 Decebal 11/27/24	Episcopiei St. No. 2, Bucharest.	7/79	4/2/83	CANADA	Ecaterina's sister, Eufrosina Marcu	
DIMITRESCU	Razvan Viorel 5/9/51 Mariana 4/29/52 Diana 1/7/78	Miron Constantinescu No. 5 Bucharest	7/79	4/2/83	CANADA	Aunt Eufrosina Marcu	
FAERBER	Peter, 11/12/20 Anna, 8/22/22	1955 Lenauheim 655 judetul Timis	1960	dates unknown	FRG	Katharina Bohn, mother	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
FISCHER	Hannelore 7/23/58 Horst 4/12/54 Wolfgang 10/14/80 Ramona 1/13/63 Ewald 2/10/59	Comuna Tomnatic 458, Judetul Timis.	12 times since 1958	12 times most recent 8/20/82	FRG	Grandfather Desiderius Schaag	
FRAUNHOFFER	Nikolaus 2/2/24 Elisabeth 11/9/24 Annemarie 6/9/61	Lunga Nr.80 Con. Comlosul-Mare Judet, Timis.	10/10/76 11/78	11/10/77 11/10/79	FRG	Elisabeth Bauer, daughter.	$10,000
FREI	Juliane nee Bartolf, 7/16/46 Inge 9/5/67	2952 Semlac 428, Judet Arad.	1961 1964 1967 4/77	1962 1965 1968 9/77Nikolaus 1/78Frei 6/78Adam & Elis	FRG	Katharin Schoen, niece.	
GALALAE	Costel,1/1/32 Galileo-Dan 1/23/72	Poarta-Alba prison, Constanzu Romania	dates unknown	dates unknown	FRG	wife & 2 sons and 1 daughter	
GALASEAN	Roxana Iulia 5/10/67 Lidia 9/23/68	Banca Nationala Str.16 Bacau 5500	9/16/82 1/8/83	4/15/83	FRG	Drs. Paul & Irina Galasean parents	
GALTER	Michael,1/4/09 Sara, 1/15/12 Horst,8/21/43 Erna, 9/2/46 Ernestine, 3/8/68 Elke, 7/7/70	Str. Gurii nr. 15, 3068 Albesti Jud. Murs Romania	7/30/74	dates unknown	FRG		

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
GANE	Sabin, 11/11/38 Neda-Aline, 11/21/73 Nora, 12/1/78 Ana-Maria, 12/17/79	Str. 8 intr. I.L. Cavagiule sector 2 Bucharest	Obtained passport 6/11/82	Dates uhknown	USA	Sanda Gane, wife	$30,000
GEORGESCU	Dan,8/7/51	Cihoschi Str.10 2nd Fl, Apt. 9 Bucharest 71134	10/11/82 4/25/83	No answer as yet	SWITZERLAND	Gabriela Sanda Georgescu wife	SFr. 58,000
GOSCHY	Helmuth 3/5/58 Waltraud 5/25/60	1993 Sinandrei No.482 Judet, Timis	12/25/80 1/18/81 4/24/81 12/10/82	3/1/83	FRG	Brother Heinrich Goschy	$20,000
HELLSTERN	Mihai,9/28/19 Barbara,3/15/24 Mihai,Jr. 5/15/50	1994 Curani Nr. 16, Judetul Timis,	1971 1981	5 times dates unknown	FRG	Josef Hellstern, son.	
HOMNER	Wilhelm,3/8/10 Rita,1/25/14 Sigrid,2/7/39	Florilor 4 R3050 Sighisoara	1/80	3/15/83	FRG	Ida Homer, mother.	$3,800
HOMNER	Friederike 5/2/20 Hermann 8/10/13	Str. Friedrich Engels 10 R3125 Medias.	9/80	5/82	FRG	Ida Homer, mother	
HUGEL	Anna, 5/7/08 Josef,10/1/32 Susanna,8/10/34 Josef Jr. 4/10/62	Giarmata Str. Garii 953 Judetul Timis	1961 19 times subsequently last in 1982	19 times	FRG	Elisabeth Schoch daughter of Anna	
IERUGAN	Gabriel, 6/14/46 Elena, 5/22/48 Iuliana, 2/19/75 Aurora, 8/2/78	Str. Aurel Vlaicu 156 Bucharest	.10/80	2/10/81 5/16/81 8/25/81 3/26/82 6/13/82 (#11849)	France	Horea Augustin Ierugin, brother	$22,400

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
IONESCU	Dr. Cristina Rodica 1/29/48 Victor 2/12/02	30 Traion Str.Apt.C Code 74122 Bucharest, Sector 3	2/2/80	5/22/80 8/25/80 11/4/80 2/2/81 9/17/81 5/28/82	USA	Vasile Leuca	amount unknown
IONESCU	Pancu-Mihai 11/16/49	Strada Amman Mierlei no. 361.7 Sc.A Ap.26 Bucharest 63 Sec.1 Code 71228	9/21/81 1/3/82 over 25 others (#73105)	11/30/81 9/1/82 3/1/83	SWITZERLAND	Gabriel Donescu, sister	
KAHLES	Michael 11/29/08 Anna, 2/16/14	Lunga	1979 dates unknown	no response	FRG	Frieda Deffert, daughter	
KAHLES	Franz, 6/19/34 Adelheid Magdalena Marlene	1980 Cenad NO. 102, Jud. Timis	dates unknown	dates unknown	FRG	Katharina Kopp	$17,000
KALCH	Maria 9/10/53 Monica 7/21/76 Michael 7/6/78 Martina 11/29/81 Mihai, 6/17/51	1995 Ortisoara Nr. 112, Judetul Timis	1971 1981	5 times dates unknown	FRG	brother, Josef Hellstern	
KELLER	Agneta, 7/16/04 Katharina Krampulz 2/11/32 Paul Krampulz 3/13/30 Wilfred Krampulz 10/3/56	Pianul de Jos 202, Judet Alba	dates unknown	10/82 and others dates unknown	FRG	Agneta Keller, daughter	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
KILZER	Anna-Maria 12/13/36 Petru 4/28/32 Walter 10/1/60 Magdalena 8/12/08	1981 Giarmata Str. Moris 727, Judetul Timis.	1960 1981	7 times dates unknown	FRG	Elisabeth Knecht, mother	
KLECKER	Eva, 3/5/60	Bd 6 Martie 50 R-1900 Timisoara.	6/18/80	dates unknown	FRG	Eva Seiler daughter	
KNALL	Volkmar, 6/3/52 Irmtrout 1/31/52 Eike, 4/24/77	R-3050 Sighisoara Str.6h. Dej.179 Jud.Mures	5/79 2/9/83	Over 20 refusals dates unknown	FRG	Sigrid Wagner sister	DM 20,000
KOOS	Maria, 4/4/55	Codrului Str.2 apt.7 Timisoara	dates unknown	dates unknown	CANADA	Eric Soltan Koos, husband	$3,700
KUMAUS	Katharina 5/25/57 Hans 10/15/54 Heino 6/28/79 Harold 6/22/79	Giarmata Str. Garii 953 Judetul Timis	1961 19 times subsequently most recently 1982	19 times most recently 1982	FRG	Elisabeth Schoch, aunt	
LEGO	Elisabeth 11/9/60	Lunga Nr.80 Con.Comlosul-Mare Judet.Timis.	10/10/76 11/78	11/10/77 11/10/79	FRG	Elisabeth Bauer grandaughter	
LOCH	Wilfred 6/18/29 Barbara 9/8/35 Martin 10/17/03 Magdalena 4/24/09	Sts.Romanitie Nr.20,1900 Timisoara-Friedhorf	1964 1970 1/8/80 11/20/81 and 20 others	3/30/79 1980 1981 1982		Mrs. Goerlonde Goetz, daughter	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
LOGDESER	Andreas, 5/14/37 Johanna, 6/23/38 Andreas, 9/14/62 Johanna, 3/17/65 Robert Hans, 6/5/71 Katharina, 4/7/14	2589 Urwegen-Girbova 465 Kreis Karlsburg Alba, Juhia	9/31/81 10/30/81 3/1/83		FRG	Johanna Feyri, mothar	DM30,000
LORIS	Matei 12/18/32 Susana 10/14/36	Morii str. No. 842 1981 Giarmata Judetul Timis	since 1961	1961 1977 1978 1982	FRG	Magdalena Weber, daughter	
LUNG	Ana, 9/25/23 Gerhard Peter Anton 10/21/19 Gerhard Peter, 8/29/57	Bd.6 Martie 50 R-1900 Timisoara	6/18/80	dates unknown	FRG	Eva Seiler, sister	
MIRON	Doina, 4/25/57	Str.Bach 1A Sc.C, Ap.52 Sect.2 71436 Bucharest 30	not yet possible		USA	Christian Neculescu	$20,000
NEDELESCU	Emil, 7/7/44 Livia, 2/14/45 Mihai, 5/5/69 Christian, 11/12/74	Calea Grivitei Nr.107, Bl.B Et.I Ap.40 Sektor I R-7000 Bucharest	9/80 10/80 2/81 6/81 1/82 3/82 7/82 2/83	1/81 5/81 7/81 1/82 9/82 3/83	FRG	Uncle, Johann Schmiedigen	
NEUMANN	Margaret 6/18/54 Antje 4/6/77 Hans-Thomas 10/19/80	Nic.Titulescu 27 1900 Timisoara,	10/81 4/82	3/82	FRG	Husband, Hans Neumann	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
NICOLAESCU	Elena, 6/2/24 Ioan Catalio 11/23/59	10 Brinduselor Str. et. 1 apt.6 Cartier Petrisor Rimnicu Vilcea	12/2/81 2/11/82	4/26/82	USA	Pauline Lerescu, sister	$3,700
PETRUSCU	Mihai, 2/14/53 Dorothea 1/16/56 Mihai Regan 9/19/77 Barbara 3/22/79	Strada Nova 208 Ghimbar 2251 Brasov	7/18/82	7/23/82	FRG	Grandfather & Aunt of Dorothea	
PIHULEAC	Modest, 1/17/45 Lucica, 7/21/53	Aleea Valea Lui Mihai No. 1 Bloc D.1, Apt.59 Scarab Bucharest	6/80	10/80 1/81 6/81 1/82 5/82 8/20/82	USA	Stelian Pihuliak, brother	$45,000
RADULESCU	Germaine 4/24/25 Nicolae 2/3/35	Str. Stirbei Voda #2 Apt. 120, Et III Bucharest	11/81	3, times dates unknown	FRG	Sofie Kirschban Aunt, & others	unknown sum
REIGER	Elisabeth 8/28/39 Wendelin 8/1/32 Anna 6/21/59	Sinmartin Nr.217 Judet Arad	1978 & Monthly thereafter	dates unknown	FRG	Father, Anton Kempf	DM7,000 per person
RENG	Friedrich, 5/3/41 Magdalene, 7/1/47 Dietmar, 7/20/70 Arno, 8/25/73	Bd. Leo Salajan 10/16 Sc. B, etaj 7, ap. 24 1900 Timisoara	1961 1962 1964 4/6/77 8/80 5/20/81 (#3126) 9/1/81 (#5042) 1982	4/20/77 4/81 (#7379)	FRG	Peter Bottyen, uncle	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
RENG	Rosalia, 5/21/09	Str. Circumualatiunii 29/6 ap,106 judetul Timis	1961 1962 1964 4/6/77 8/80 5/20/81 (#3126) 9/1/81 (#5042) 1982	4/20/77 4/81 (#7379)	FRG	Peter Bottyen, brother	
ROTH	Elisabeth 9/14/14	2463 Seica Mare 466 Jud Sibiu	dates unknown	dates unknown	FRG	Daughter, grandson	
SAUER	Erika, 11/30/33 Kurt, 8/21/31 Volker, 11/2/59 Juergen, 2/7/62	Alex. Vlahuta 7 R2400 Sibiu	1/19/65 2/70 3/19/77 7/80	1966 11/8/70 11/81 9/26/81 11/81	FRG	Roswitha Froehlich, sister	
SCHNEIDER	Sebastian 9/24/07 Anna 11/ 4/06 Christof 12/22/33 Barbara 2/29/40 Walter 11/17/63 Erich 2/10/66	Giarmata Str. Violor 594 judetul Timis	9 times between 1965 & 1982	9 times dates unknown	FRG	Daughter, Anna Schmidt	
SCHULLER	Renate 3/13/57 Edith 12/4/61	2463 Seica Mare 122 Jud Sibiu	dates unknown	dates unknown	FRG	Aunt, Uncle Cousins	
SOLLNER	Maria,5/16/34 Martin,2/22/30 Annemarie 6/9/55 Manfred,11/8/69	Communa Sinmartin nr. 11, Judet Arad,	1/14/79 2/17/79 5/27/82 7/21/79 9/20/79 2/10/79 2/25/80 8/19/80 10/7/80 11/7/81 2/17/82 7/27/82 2/1/83 4/19/83	12/3/81 (reg.No. 43092)	FRG	Maria Fackelman, mother	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
SOLLNER	Martin,6/5/55 Barbara,4/30/59 Adelheid,2/17/82	Communa Sinmartin nr.666 Judet, Arad	1/14/79 7/21/79 9/20/79 12/10/79 2/25/80 8/19/80 10/7/80 11/1/81 2/17/82 5/27/82 7/27/82 2/1/83 4/19/83	12/3/81 (#43092)	FRG	Maria Fackelman, grandmother	
STEFANESCU	Stefan Anton 1/13/48 Liana-Maria 7/27/48 Andrea Bianca 7/25/75	100 Dristorului Str. Bloc 10A,Apt.2 7000 Bucharest Sect.3, Tel.48-74-44	12/10/79 (230924) 4/80	12/10/80 3/10/81 4/18/81 6/20/81 8/1/81 12/1/81 3/20/82 7/15/82	SWITZERLAND	Aristotel & Cornelia Pavelescu, parents	$23,650
STRAT	Gheorghe 5/7/24 Nusa 11/17/27 Teodor 2/7/57	Str.Zugrav Nedelcu 12 1900 Timisoara	11/79 1/80	3/81	U.S.A.	daughter Eugenia Grauzer	$30,000
TOLAN	Vasile,11/19/27 Rolland,4/18/62	Fericirii 15, 3400 Cluj-Napoca, Jud. Cluj.	dates unknown	dates unknown	USA	Son, Victor Tolan	$32,000
TOLAN	Vasile Jr.	Str. 8 Mai Bloc 6, Sc.3 Apt.45 Tg-Jiu, Jud. Dolj,	dates unknown	dates unknown	USA	Brother Victor Tolan	
VASILESCU	Maria Steriana 3/12/50	Strada Cristesco Dimas nr.1 Bloc 105C Apt.46 73324 Bucharest III	4/82	dates unknown	USA	Uncle, Octavian Ghitulescu	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
VASILESCU	Radu,1/25/52	Soseava Iancului nr. 37, Bloc 103 B.etaj 12 apt.46 73376 Bucharest	2/81 12/9/81 7/5/82 2/16/83	9/28/81 1/5/82 8/6/82 2/19/83	U.S.A.	Octavian Ghitulescu, Uncle	
VRABIE	Mihail Coneliu 1/4/39 Claudia,4/10/74	Aleea Cimpul cuFlori No.2, Bloc D27 Apt.59 6 District Bucharest	3/6/81	2/10/81 5/12/83	USA	Elena Vrabie, wife	$15,70
WESTER	Dittmar Klaus 6/7/44 Maria 3/27/44 Beatrice 6/18/71	Blvd.Lenin 8 apt.7 R-2200 Brasov	1970 annually, last in 1983	1970, 1983 & 10 times in between	FRG	Hellmar Wester, brother	
WOLF	Sieglinde 2/28/60	1966 Comlosul Lunga 126 Jud-Timis	6/80 26 subsequent applications	dates unknown	FRG	Husband Werner Wolf	D.M. 20,00

APPENDIX IB

PRIORITY CASES:

LONG DELAYS

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDU. TAX
BARTH	Anne-Marie 8/9/55 Adam 7/4/49 Karin 5/14/76 Dietlinde 8/3/81	Giarmata 278 judetul Timis	1961	1964 1967 1981 1982 1983	FRG	Eva Tyotsits, sister	
ENGELMANN	Andrei 10/28/37 Magdalena-Katharina 1/10/33	Johannisfeld 262 jude. Timis	1972	Seven refusals, dates unknown	FRG	Nikolaus Engelmann, son	
FARKAS	Eugen 3/31/56 Ana 5/20/58 Bernhard Bruno	communa Voitena 444 judetul Timis	1972	Seven refusals, dates unknown	FRG	Maria Hufflotz, sister	
FROM	Nikolaus 4/14/29 Ana 11/29/32	communa Voitena 444 judetul Timis	1972	Seven refusals, dates unknown	FRG	Maria Hufflotz, daughter	
FUNK	Peter 2/10/29 Eva 4/6/29 Ingrid 12/10/68	1981 Giarmata 278 judetul Timis	1962		FRG	daughter and sister, Katherina Keltor	
GABRIEL	Adam 12/24/36 Charlotte 8/5/41 Udo 3/9/64 Frank 3/15/68 Nikolaus 2/26/1897	Vivar 54 Judétul Timis	4/15/66	11/20/80	FRG	Peter Waldner	
GHERDA	Eugen 3/21/22 Elena Maria 4/3/28 Lucian 5/11/51 Agneta Ekaterina 3/15/55	Frasinului 3 Sc Bap.20 1900 Timisoara	1962	1969 1973 1978	FRG	Father and brother, Konstantin Gherda	
CHERDA	Tiberiu 5/4/55 Olimpia 2/20/56 Robert b. 1980	Str.Barnutiv 46 1900 Timisoara	1962	1969 1973 1978 1982	FRG	Father-Konstantin Gherda	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
GOSCHY	Josef 12/19/31 Elisabeth 11/18/38 Josef 4/10/59 Ewald 2/4/62	Sinandrei NR 525 Jud. Timis	1964 12/70 1977 7/80	1965 1972 1979	FRG	Agnes Pinzhoffer	
GRIESS	Mariana Ignatz	1981 Giarmata Nr. 863 jud. Timis	1969	8 refusals dates unknown	FRG	Peter Rosar Mathias Rossler	
KILIAN	Matein 7/10/30 Varvara 4/17/34 Vorlevt 5/30/58	Giarmata VII186 Jud. Timis	1965	7 refusals dates unknown	FRG	Berta Kilian	
KRAMER	Matei 10/2/29 Susana 4/20/32 Ana Loris 9/8/01	Giarmata Str. Morii No. 759 Jud.Timi[illegible]	Several applications since 1962		FRG	Children Suzanne Loris and Matei Kramer	

also 11 refusals of a tourist passport to visit relatives

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
KREUTER	Nikolaus 8/21/28 Elisabeta 1/13/32 Albinger, Ana 12/21/09	Giarmata 215 judetul Timis	1962 and every year subsequent	Twelve times, three between 1980 and 1983, dates unknown	FRG	Elisabeta Schlosser, Suck, daughters	
KRONENBERGER	Petru b.1893 Magdalena 7/5/54 Sabine 7/3/75 Harald 3/31/80	1981 Giarmata 245 judetul Timis	1964	Eight refusals dates unknown	FRG	Nikolaus Weldi, brother	
LAY	Johann 2/16/26 Maria 5/8/27 Peter 9/1/52	Communa Sacalza Str.1 No 38 Jud.Timis	1964	1965 and s,everal times subsequently	FRG	Magdalena Thierjung mother	
LIND	Thomas 10/10/15 Katharina 11/24/12	Covaci 217 Jud. Timis	1964	1965	FRG	Sister	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC TAX
LORIS	Anton 3/22/36 Elisabeta 5/20/17	1981 Giarmata 104 judetul Timis	1970 subsequently dates unknown	Nine refusals dates unknown	FRG	Katharina Loris, wife	
MARTIN	Michael 3/02/35 Anna 6/8/36 Elfrieda 6/10/864 Alfred 3/20/59 Elvine 9/5/64	1981 Giarmata 203	1972 1977 1978 1980 1982	Nine refusals dates unknown	FRG	Gertruda Schicht mother	
MUHLBACH	Petru 5/23/13	1955Lenauheim 196 judetul Timis	1967 and weekly since 1/83	Eight refusals, dates unknown	FRG	Helmine Holz, daughter	
MULLER	Christof Magdalena	1955 Lenauheim 196 judetul Timis	1969	eight refusals, dates unknown	FRG	Helmine Holz, daughter	
MULLER	Nikolaus 4/9/31 Elisabeth 12/30/32 Elisabeth 11/19/60	Calea Torontalului 27 Timisoara	1972 Summer/80 every month subsequently	1973	FRG	Barbara Rohrich, sister	
NEISS	Julius 2/8/22 Barbara 10/19/29 Manfred 12/23/52 Ecaterina 2/12/57 Heidi 6/18/79	communa Becicherecul Mic-Satul Dudestii Noi 239 judetul-Timis	1962 1971 1977 1978 1982	1963 1972 1977 1/1983	FRG	Julius Neiss, son	
NIX	Franz 7/20/52 Anna Marie 8/16/54 Eleanora Eva 6/25/75	Str. Nova 98 Giarmata Jud. Timis	1961		FRG	Marianna Wagner Mother	
ORTH	Anna Georg	1981 Giarmata Str. Nona viv.42 judet Timis	1963	13 refusals, dates unknown		Kramer Susanna	
REMMEL	Anton 3/11/10 Eva 1/27/29 Barbara 9/25/02	1961 Simpetra Mic Nr70 Judetul Timis	1960	Seven times, dates unknown	FRG	Walter Remmel, son	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC. TAX
ROSNER	Erna Josef Manfred Lother	1961 Simpetru Mic Nr. 70 judetul Timis	1963	13 refusals dates un- known	FRG	Kramer Susanna	
ROSNER	Johann 5/25/27 Eva 2/25/26 Franz 3/5/1899	Str.Noua 98	1961		FRG	Marianna Wagner Mother	
RUTTNER	Peter 3/11/11 Maria 10/28/20	1981 Giarmata Str.Principala 443 judetul Timis	1961	1962 1963 1980 1981 1982	FRG	Erna Hay, daughter	
SCHICHT	Nicolae 6/20/09	comuna 1983 Bencec de Sus 218 judetul Timis	1972	1974 1977 1978 1980 1982	FRG	Gertruda Schicht, wife	
SCHILLER	Eva 12/8/27 Margareta 1/23/12	Giarmata 172 judetul Timis	1961	1964 1967 1975 1981 1982 1983	FRG	Eva Tyosits, daughter	
SCHIPPER	Johann 2/11/27 Barbara 1/29/21 Barbara 11/10/01 Helmut 2/8/66	Com.Biled Nr.91 Uihei Judet.Timis	1970 1980	1971	FRG	Eva Haag daughter	
SCHLOSSER	Jakob 5/29/13 Barbara 9/14/18	Giarmata 755 judetul Timis	1962 1966 1969 1972	dates unknown	FRG	Josef Schlosser, son	
SCHMIDT	Evald 10/7/54 Elvine 10/19/57 Helmut 8/21/82	Str.Nicolae Andreescu 150 1900,Timisoara VII judetul Timis	1961 1/17/80 every week subsequently	Most recent 5/82	FRG	Leopoldine Hartmann grandmother	

LAST NAME	FIRST NAMES	ADDRESS	APPLIED	REFUSED	DESTINATION	SEEKING TO JOIN FAMILY MEMBERS	EDUC TAX
SCHMIDT	Erna 7/5/56 Francisc 5/10/53	Str. Nicolae Ardreescu 150 1900 Timisoara VII	1965	7 refusals, dates unknown	FRG	Leopoldine Hartmann, grandmother	
SCHNEIDER	Adam 2/4/26 Ecaterina 12/14/27 Matei 4/9/59	1981 Giarmata Nr.3 Jud. Timis	1963	9 refusals, dates unknown	FRG	Halmen, Annemari (daughter	
SCHNEIDER	Annemari 2/26/55 Michael 6/1/50 Evelin 12/2/74	Giarmata No. 950 Jud. Timis		1962	FRG	Josef & Anne Zeich	
SCHUMMER	Matei 7/15/16 Rosina 7/22/20 Josef 11/16/44 Margareta 5/31/54 Claudia Iris 4/19/71 Harold Erich 7/3/73	Andrei Nicolaeson Nr.36Timisoara	1964		FRG	Rosalia	
SINK	Ioan 11/1/24 Mariana 4/22/31 Edgar 6/17/72 Silke 4/28/76	1981 Giarmata 854 Judetul Timis	1969	Nine times refused, dates unknown	FRG	Anna Kassnel, daughter	
STEFAN	Ion 3/12/28 Ecaterina 3/30/29 Ecaterina 8/24/07 Eva Janch 4/20/57 Jósif Janch 1/15/57	1981 Giarmata No.187 Jud.Timis		1961	FRG	Mathias Stephen (son)	
STEFAN,	Jakob 8/28/1890 Matei 2/16/15 Ecaterina 7/22/22	Giarmata No.572 Jud. Timis		1961	FRG	Jakob Stephen (son)	
WEISS,	Fulop 6/29/05 Margareta 4/15/09	Covaci 71 Judetul Timis	1972 summer /80 every month subsequently	1973 1979	FRG	Barbara Rohrich, daughter	
WELDI	Francisc 9/2/33 Ana-Maria 8/16/33 Geier b. 1914	1981 Giarmata 273 judetul Timis	1964	Eight refusals, dates unknown	FRG	Nikolaus Weldi,	
WENZEL	Etelca 10/17/34 Iosif 6/11/32 Ramona 10/20/67	Str. Nicolae Andreescu, 15 1900 Timisoara VII judetul Timis	1961 1/17/80 every week subsequently		FRG	Leopoldine Hartmann, mother	
WOLF	Manfred 7/2/50 Elfriede 11/20/52 Michael 3/21/74 Monika 6/27/77	1865 Sinnicolaul Mare-Statia Electrica Judetul Timis	1960	Seven times dates unknown	FRG	Walter Remmel, brother	
ZEICH	Georg 7/8/29 Eva 11/22/29	Giarmata No.950 Jud. Timis		1962	FRG	Josef & Anna Zeich (Georg's Parents)	

APPENDIX II

OTHER APPEALS RECEIVED IN THE LAST 90 DAYS (APRIL-JUNE 1983)

LAST NAME	FIRST NAME	ADDRESS	FIRST APPLIED
BROOS	Kurt-Fritz Mark-Sigrid Corina	9 Mai St. 24 Sibiu Hermannstadt	1/21/71
BRAUN	Sofia-Emilie	9 Mai St. 24 Sibiu Hermannstadt	5/31/77
MAYER	Wilhelm Luisa Willi Rudolf Luisa	Str. Haripiei No. 6 Scara B ap. Z.R. 1900 Timisoara Colea/Sagului jud. Timis	Date Unknown
MAYER,	Katharina	Spl.T Vladamirescu 32 1900 Timisoara	10/5/78
GYORBIRO	Adelheid Julius Alexandra	Plata Romanilor 8 Timisoara	4/79
ORNER	Jakob	Zorilor 12 1800 Lugoj jud. Timis	1981
STIRNER	Heinrich Ada Gerhard	Str. 23 August 8 2475 Agnita jud. Sibin	12/80
TELEKI	Mihaly	Str. Narciselor 4 4300 T6 Mures	--
USINEVICIU	Elena-Lelioara	Str. Matei Basarab 100 Rimnicu-Sarat jud. Buzau	8/82-short forms
TUTUNARU	Corina	Faurei Str. 5 Bloc C ap. 143 Bucharest	10/80
HAMES	Anna	Str. Triumfului 3 Timisoara	3/20/80
FEISTHAMMEL		1468 Teremia-Mica 18 jude. Timis	4/77
MARTIN	Aurelia Frederic Aloisia	Str. GH. Lazar 21 Bloc Fl, Scara A ap.15 Timisoara	10/79

LAST NAME	FIRST NAME	ADDRESS	FIRST APPLIED
PAUN	Loria Mihaela	Str. Minotaurului 71 Sec. 5 Bucharest	8/80
KIRCHGAESSNER	Peter Helen Herbert	1955 Lenauheim No. 433 jud. Timis	Unknown
BEITZ	Elisabeth Johann	Str. Snagor 25 Timisoara	1964
LUPULESCU	Leia	Str. Cerna nr. 19 Timisoara	1980
STOIADIN	Baltazar Anna Alfred Rosvita	Giarmata, str. Sifoanelor Nr. 339 judetul Timis	1961
BIEBER	Katharina Joseph Monika Erwin	Calea Sagului 74 ap. 26 1900 Timisoara	1/13/64
KNOEBEL	Maria Alfred Arno	Str. snagor 25 Timisoara	1964
MUSSLER	Ingrid Erwin Rosa	Str. J Vladimirescu 4 1953 Jimbolia jud. Timis	4/26/81
HAAS,	Johan	Giarmata No. 586 judetul Timis	8/14/81
VOGELHUBER	Georg	Str. 10, No. 31a Kreis Hermannstadt Grossau, Sibiu	8/81
DAN	Catalin Carmen Mntei	Str. Radu Cristian Nr. 4 Et. 1 Ap. 7 Bucharest	5/23/81
SCHMIDT	Elisabeta Jakob Margareta Kristine Barbara	Giarmata Str. Johann 1107 Timis	1975
RUZICSKA	Barbara	Giarmata Str. Johann 1107 Timis	1975

LAST NAME	FIRST NAME	ADDRESS	FIRST APPLIED
SEHL,	Anna	Giarmata 318 judetul Timis	1959
NIKLAS	Anneliese	Comuna Peciul Nov 436 judetul Timis	9/81
ANDREIOVICI	Elvira Mircea Carmelia Aurelian	Str. Regenerarii No 9 Sect. 3 BUCHAREST	1979
PELGER	Susanne	2442 Sura-Mica 94	8/28/81
KARSAI	Zoltan	B'dul Lenin 25 Cluj-Napoca	Summer 1980
POPESCU	Ioan Viorica Radu Ecaterina	Str. General Cernat 17 Bucharest Sect. 1	6/7/80
NEISMANDL	Nicolae Ana Ana	Comuna Tomnatic 713 judetul Timis	1978
FLAGNER	Gerlinde Hans	Str. Abatoruui 8 R-3125 Mediasch jud. Sibiu	Unknown
ROEMERS	Roland Erika Arno	2221 Risnov strada Fieriton 62 jud. Brasov District Kronstadt	Unknown
SAUSMANN	Josef Ecaterina	Str. GH.DOJA Nr.1 1900 Timisoara	1/16/79
FISCHER		Bul. 8 Mai 139 Or. Sacele jud. Brasov	10/4/82
ENACHESCU	Cristian	Str. Serdarului 13 Bloc 48, ap. 211 Bucharest sector 1	11/2/81
KUMHER	Franz Magdalena	Orawiza Str. Mircea 3 jud. severin	Unknown
ZETTO	Franz Marianne	Lugorsh str. Unisi 1.	Unknown

LAST NAME	FIRST NAME	ADDRESS	FIRST APPLIED
MICHELBACH	Adolf Heidrun Rainer Renate-Alice	1985 Masloc 279 jud. Timis	12/4/75
SEILER	Margareta	1985 Masloc 279 jud. Timis	12/4/75
BOTTESCH,	Johann Maria Astrid Renate	Str. Deva 31 R-2400 Sibiu	11/22/80
KESSLER	Edda	Str. 13 Decembrie Nr. 30 ap. 17 1900 Timisoara	4/80
DEPNER	Johann Sara Johann, Jr.	3042 Ticusi 457 judetal Brasov	11/7/78
PETRUS	Emilia Andrei	Str. J.J. Rousseau 5 ap. 3 3400 Cluj	1981
LIPPET	Ioan Margaretha	1963 Periam 553 judet Timis	10/14/82
LOEW	Emma Werner Herbert	Str. Justitiei, 14, jud. Sibin	8/78
SCHUMM	Vasile Rolf Emmy Anneliese	Str. Justitiei 14 jud. Sibin	8/78
CZAKO	Josef Julianna	3050 Sighisoara Str. Plopilor 24, et. 3, ap. 14	2/79
SCHMIDT	Anneliese	R-2458 Apoldul de sus Nr. 352 judetul Sibin	--

LAST NAME	FIRST NAMES	ADDRESS	FIRST APPLIED
ADORIAN	Sofia Gabriela Virgil Simona	74655 Aleea Blocurilos 4 Bloc. M 42 Et.4 Ap. 17 Sec.4	1980
BINDER	Anneliese	Str.Labirint 12 Apt. 59 Circumvaltinuii 3 1900 Timisoara	4/4/81
BRANTSCH	Udo Rosemarie Udo Rolf	2261 Sercaia 198 Kreis Brasov	2/24/77
COCRON	Elisabeta	Comuna Tomnatic 693 Judetul Timis	1975
STEFANI	Richard Marianne Christian Uwe	Str. Scoala de Inot 18 2400 Sibiu	11/19/79
STREITMATIER	Carol	Str. Brincoveanu 12 Lugoj	1979
TRENDLER	Michael Maria Johann Charlotte Thomas Johann Maria Ignatz Margaretha Schwarz, Anna	str. Cehov 17 1900 Timisoara	unknown
URBAN	Nikolaus Elisabetha Knobl , Wiltsaud	Str. Snagov 25 1900 Timisoara	1965

LAST NAME	FIRST NAMES	ADDRESS	FIRST APPLIED
FREKOT	Andreas Ewa Ernst Annemarie Sonja	Bulevardul Plavati 110 1900 Timisoara	unknown
FRIEDRICH	Wilhelm Hermine Bruno	Str, Tomas Ionescu 4 Medias	5/12/81
FROMBACH	Elisabeta Ioan Elisabetha Ioan Erika Melane	Giarmata 318 Judetul Timis	1959
GANE	Sabin Neda-Alina Nora Ana-Maria	Str.8 intr. IL. Cavagiule sect. 2	1980
GARTNER	Katarina	1938 Peciul- Nou Nr.175 Judetul Timis	unknown
GEMES	Alexander Barbara	1954 Grabati Nr. 226 Jud-Timis	6/1981
HEIB	Nikolaus Katahna Ewald Anneliese	Str. Tigruliu 45 1900 Timisoara	3/79
KERST	Johann Herta Dietmar	Dinicu Golescu Str.4 2400 Sibiu Judetul Sibiu	11/17/76
KLEIN	Anna-Theresia Tiberiu	Suceava 14 Offic. Post 8 1900 Timisoara	1/29/82

LAST NAME	FIRST NAMES	ADDRESS	FIRST APPLIED
KLUSCH	Wolfgang Peter Anneliese Manfred	Calugareni Str.5 2400 Sibiu	1/78
KOCH	Dr.Friedrich Matthias Angelika Susanne	unknown	unknown
KRAFFT	Michael	Str. Caraiman 44 R-2221 Jud. Brasov	11/4/81
KRAUSS	Inge Dittmar Udo	Neculuta Str.14 2400 Sibiu	3/81
LENHARDT	Hans Glas Maria	1938 Peciul- Nou 175 Judet, Timis	1980
MIESS	Andreas Hildegard	Str. Caraiman 19 R-2221 Risnov	10/12/79
MUELLER	Helmut Norma	HipodromIII bloc 89 apt. 32 2400 Sibiu	1979
MULLER	Sigrid Fritz UteChrista ElkeHeIde	Str. Prof. Span Nr. 1 Sibiu	2/78
MULLER	Wilhelm Elisabeth Wilhelm Lisbeth Ditmar Krista Anita Bernd	Str. Apararii 3 2437 Cisnadie	1981
NEUBAUER	Martin Katharina Hildemarie Michael Gerlinde	Tirnavioara 120 3158 Copsa Mica Judetul Sibiu	unknown

LAST NAME	FIRST NAMES	ADDRESS	FIRST APPLIED
POLLING	Lotte Helmutt Bettina Martina	comuna Tomatic 199 judetul Timis	1969
ROTH	Rozalia Nicolae Horst	comuna Tomatic judetul Timis	1969
ROTH	Francisc Magdalena	comuna Tomatic 232 judetul Timis	1969
ROTH	Hilda Johann Hans Werner Ortwin	Ormenis 29 Judetul Mures 3088	unknown
SCHENKER	Sofia Sofia	2417 Miercurea-Sibiu Nr.16 judetul Sibiu	9/80
SCHMIDT	Christine Margareta Jakob Elisabeta Barbara	1911 Giarmata Str. Johann 1107 judetul Timis	1975
SCHMIDT	Hildegárd	Calugareall Str.5 2400 Sibiu	12/80
SCHREIBER	Peter Margareta Helmuth Hartwig Maria	comuno Tomatic judetul Timis	1976
SCHULZ	Dietmar	Str. Filipescu 5 1900 Timisoara	9/82
SKERBEK	Walter Dora Gudrun	Str. Nova 208 Ghimbav 2251 Brasov	7/18/82

Chairman GIBBONS. Thank you, ma'am.

STATEMENT OF FRANK KOSZORUS, JR., ATTORNEY, INTERNATIONAL HUMAN RIGHTS LAW GROUP

Mr. KOSZORUS. Mr. Chairman, my name is Frank Koszorus. I am appearing on behalf of the International Human Rights Law Group. I appreciate the opportunity to appear before this distinguished committee and the chairman, and I would just like to request that our written statement be included in the record.

Chairman GIBBONS. It certainly will be.

Mr. KOSZORUS. I plan to just summarize very briefly my testimony.

Chairman GIBBONS. All right, fine.

Mr. KOSZORUS. We also have an exhibit which covers, I think, two or three pages.

Chairman GIBBONS. I would have to turn that over to the staff and let them make a judgment as to its relevance and size and things of that sort. But we would be happy to have it if it is not too extensive.

Mr. KOSZORUS. Thank you, Mr. Chairman.

The Law Group has monitored Romania's dismal human rights record for over 5 years. Its emigration policies are extremely restrictive. The cases before the Law Group, a sampling of which is provided to the Congress and attached hereto as exhibit A, demonstrate the severe deterrence of Romanian citizens seeking to emigrate from that country to the United States. They demonstrate the persecution of family members of those who after scaling the seemingly insurmountable obstacles are able to emigrate, and the harassment and the persecution of those seeking to emigrate.

In addition, Mr. Chairman, Romania's callous disregard for human rights is exemplified by the enactment in 1982 of a decree requiring would-be emigrants to repay in convertible currency the cost of education. Although that decree has apparently been suspended with respect to the tax on education, as reported by the President in his recommendation of waiver and authority, there is considerable concern that other fees such as repayment of medical fees in convertible currency, would prove to be formidable obstacles to emigration. We would urge the Congress to look into these other fees which may prove to prohibit emigration from Romania.

Severe and repressive controls are exercised by the Communist Party over civil and political rights and economic decisionmaking, with police harassment a common feature of everyday life. Oppressive measures are directed against its Hungarian minority which is increasingly subjected to a systematic policy of forcible assimilation.

In addition, those individuals who speak out against that systematic policy and against political, social, cultural, and religious discrimination, are persecuted and condemned to forced labor camps. For instance, in November 1982, a number of Hungarian intellectuals were arrested for publishing an underground journal, samizdat, known as Counterpoints, which chronicled the persecution and forcible assimilationist and denationalization policies of the Romanian Government. Some of those arrested, such as Ara Kovacs

Attila and Toth Karoly, were beaten and otherwise abused. After their release, the harassment continued, and they were subsequently rearrested and subjected to further police harassment.

Another equally ominous trend that has been observed is the disappearance of outspoken Hungarians. For example, Visky Arpad, a well-known Hungarian actor in Sfintul Gheorghe, who openly aired Hungarian grievances, was arrested on or about February 1983 and was not heard from until the end of April when he was tried in a military court in Bucharest and apparently sentenced to 6 years labor in the Danube delta.

Borbe Erno, a history teacher, and Biro Katalin, an engineer, both of whom were outspoken regarding the Hungarian situation, disappeared at the end of November and have not been heard from since. It is believed that they have been given life sentences.

Thus, the denial by the Romanian Government of many of the fundamental freedoms, such as the right to liberty and security of person, serves to perpetuate the systematic violation of minority rights and enables the Government to implement its policy of discrimination and forcible assimilation of Romania's Hungarian and other minority groups.

In conclusion, Mr. Chairman, the Law Group believes that until Romania shows a real willingness to facilitate freedom of emigration and family reunification in accordance with the Helsinki Final Act, the United States should not grant Romania most-favored-nation treatment. To do so would be in violation of our laws. The Law Group in reaching this conclusion does not seek to adversely affect United States-Romanian relations. Rather, it urges this committee to send out a clarion call to Romania that the United States is not indifferent to the fate of countless families denied the right of reunification, in particular, with their family members in the United States. Nor is the U.S. Government indifferent to the fate of Romania's oppressed population, including its 2.5 million Hungarian minority, and will insist on respect for fundamental human rights as a condition for preferential treatment by the United States. We believe that this is not only morally appropriate but required by section 402 of the Trade Act.

[The prepared statement follows:]

STATEMENT OF FRANK KOSZORUS, JR., ON BEHALF OF THE INTERNATIONAL HUMAN RIGHTS LAW GROUP, WASHINGTON, D.C.

This testimony is submitted on behalf of the International Human Rights Law Group which is a non-profit legal organization established by the Procedural Aspects of International Law Institute in September 1978, with the assistance of funding from the Ford Foundation and the Rockefeller Brothers Fund. Assisted in its work by lawyers, paralegals and law students, the Law Group provides legal assistance to individuals and non-governmental organizations on a pro bono basis and offers educational programs.

For over five years, the Law Group has monitored the Romanian Government's human rights record. Its emigration policies are extremely restrictive. Severe and repressive controls are exercised by the Communist Party over civil and political rights and economic decision-making with police harassment a common feature of everyday life. Oppressive measures are directed against its Hungarian minority which is increasingly subjected to a systematic policy of forcible assimilation. This testimony touches all three aspects of Romania's record and weighs them against the requirements of Section 401 of the Trade Act of 1974 (hereinafter "Jackson-Vanik Amendment").

The underlying purpose of the Jackson-Vanik Amendment is to promote fundamental human rights. In fact, it begins with the phrase: "to assure the continued dedication of the United States to fundamental human rights," and therefore clearly states that it is concerned with the general issue of human rights as well as with the specific and articulated question of freedom of emigration.

This interpretation is not only consistent with the language of the Act, but also with the universally accepted standards of human rights. Fundamental human rights cannot be narrowly restricted and confined to the right of emigration. The right of emigration certainly is an integral part of an individual's fundamental freedoms, yet it is merely one of a host of other rights. Although individuals may seek the safety valve of emigration when conditions become so unbearable that they can no longer foresee a future for themselves, many do not leave their homeland. Human rights encompass those who wish to leave their countries as well as those who remain behind. Thus, the language of the Jackson-Vanik Amendment itself as well as the internationally accepted norms of fundamental human rights mandate that a full review of a country's human rights practices take place before Most Favored Nation's treatment is extended. In this respect, Romania's deplorable human rights record justifies a suspension of MFN.

Turning first to the question of the general human rights situation in Romania, even a cursory review reveals a dismal situation. As characterized by the Department of State's 1983 Country Reports on Human Rights Practices at p. 983, "Romania is a highly centralized communist state. In the area of human rights, there are major discrepancies between Romanian law and the nation's international commitments on the one hand and the Government's internal practices on the other." Moreover, "political dissent and deviation from the party's policies are not tolerated." Both the Department of State's report as well as Amnesty International's 1981 Report on Romania beginning at p. 314 documents that government's gross and persistent human rights violations which include the physical and psychological abuse of political prisoners; intolerable conditions of confinement for prisoners; police harassment, arbitrary arrest and imprisonment exacerbated by the lack of effective legal remedies for persons subjected to such treatment; denial of a fair public trial; forced entry into homes in cases of political dissidents; the imprisonment of those seeking to form free trade unions; and the harassment and persecution of religious groups and their members.

With the possible exception of the decrease of the barbaric practice of confining prisoners and dissidents in psychiatric hospitals, conditions have deteriorated since MFN has been extended to Romania.

In addition to the deprivations of these civil, political and religious rights suffered by the general population, the members of Romania's Hungarian minority—the largest national minority in Europe—face an additional host of oppressive policies which are aimed at forcibly assimilating and destroying their culture. These policies are intensifying and include the closing of Hungarian language educational institutions at the elementary and high school levels and the elimination of Hungarian universities, such as the Bolyai University in Cluj; the suppression of Hungarian and other minority languages; curtailment of human contacts and cultural exchanges as well as the cultural opportunities within Romania; harassment of churches and religious groups and the confiscation of archives; falsification of census figures and history; and the concommittant persecution of individuals who raise their voice against political, social, cultural and religious discrimination, with the most outspoken individuals being arrested, beaten or condemned to forced labor camps.

For instance, in November, 1982 a number of Hungarian intellectuals were arrested for publishing an underground journal, "Ellenpontok" (Counterpoints), which chronicled the persecution and forcible assimilationist and denationalization policies of the Romanian Government. Some of those arrested, such as Ara-Kovacs Attila and Toth Karoly, were beaten and otherwise abused. After their release, they were rearrested and subjected to continuing police harassment.

Another equally ominous trend is the disappearance of outspoken Hungarians. For example, a well known Hungarian actor in Sfintul Gheorghe, Visky Arpad, who openly aired Hungarian grievances, was arrested on or about February 5, 1983 and was not heard from until the end of April when he was tried in a military court in Bucharest and sentenced to six years labor in the Danube Delta. Borbe Erno, a history teacher, and Biro Katalin, an engineer, both of whom were outspoken regarding the Hungarian situation, disappeared at the end of November and have not been heard from since. It is believed that they have been given life sentences.

Thus, the denial by the Romanian government of many of the fundamental human rights, such as a right to liberty and security of person, serves to perpetuate the systematic violation of minority rights and enables the government to implement its policy of discrimination and forcible assimilation of Romania's Hungarian and other minority groups.

Not only has the Law Group found these conditions to exist with respect to the denial of human rights to the general population and national minorities, but they also have been corroborated by a massive body of irrefutable evidence which includes letters and memoranda from Romanian-Hungarian politicians, scholars and intellectuals, scholarly studies appearing in the United States and Europe; communications, statements and studies from groups monitoring human rights violations in Romania; reports appearing in the mass media; and the recently published "Counterpoints."

Both the general suppression of human rights as well as the violations endured by Romania's Hungarian and other minorities solely because of their ethnicity justifies withholding MFN until Romania expresses a genuine intent and actually takes steps to conform its behavior in dealing with its citizens to the minimum yet binding international standards of human rights—standards freely acceded to by Romania.

The Jackson-Vanik Amendment, however, goes on to proscribe the extension of MFN to any non-market economy country which "(1) denies its citizens the right of opportunity to emigrate; (2) imposes more than a nominal tax on emigration or on the Visas or other documents required for emigration for any purpose or cause whatsoever; or (3) imposes more than a nominal tax, levy, fine, fee or other charge on any citizen as a consequence of a desire of such citizen or emigrate to the country of his choice."

Romania's emigration practices fall well short of the standards enumerated by the Jackson-Vanik Amendment and by the international instruments acceded to by Romania. This is reflected by the Department of State's Report, supra, in which it states that Romania "regards emigration as a betrayal of the country and uses a wide variety of means to discourage it. The administrative, social, and economic sanctions which have been imposed against intending emigrants include forced transfers or loss of jobs, demotions, reductions in salary, and other forms of discrimination." Similarly, the report to the Congress by the Commission on Security and Cooperation in Europe, August 1, 1980 at p. 232 characterizes Romania's policy toward emigration as one of, "discouragement bordering on hostility—(which) has remained unchanged during the past three years. The Romanian state does not recognize the right to free movement, rather it claims a right to control the movement of citizens. Romania regards emigration and foreign travel as privileges the state bestows and asserts that it is each citizen's duty to remain in his or her homeland and contribute to its development. Consequently, the laws and regulations governing the movement of citizens out of Romania and designed to restrict, rather than facilitate travel across the borders. Leaving or attempting to leave the country without official permission is regarded as a crime against the state."

Romania's callous disregard for human rights is exemplified by the enactment in 1982 of a decree requiring would-be emigrants to repay in convertible currency the cost of education. Although that decreee has been suspended with respect to the tax on education, as reported by the President in his Recommendation of Waiver Authority, there is considerable concern that other fees, such as the repayment of medical fees in convertible currency, will prove to be a formidable obstacle to emigration.

In addition, the cases before the Law Group, a sampling of which is provided to the Congress and attached hereto as Exhibit "A", demonstrate the severe deterrence of Romanian citizens seeking to emigrate from that country to the United States. They domonstrate the persecution of family members of those, who after scaling the seemingly insurmountable obstacles, are able to emigrate; the harassment and persecution of those seeking to emigrate, i.e., loss of jobs, demotion, police harassment; the repeated denials of exit visas to those seeking to emigrate, the denial of application forms to those seeking to emigrate; and the denials of requests to visit with family members aboard. Although the only justification for leaving Romania which is recognized by the government is family visits or family reunifications, the cases before the Law Group all involve families divided between the United States and Romania and thus reveal the unwillingness of Romania to even permit its citizens to execise their very limited right of family reunification. (See Appendix.)

Until Romania shows a real willingness to facilitate freedom of emigration and family reunification in accordance with the Helsinki Final Act, the United States should not grant Romania Most Favored Nations Treatment. To do so would be in violation of our laws. The Law Group in reaching this conclusion does not seek to adversely affect U.S. Romanian relations; rather, it urges this Committee to send out a clarion call to Romania that the United States is not indifferent to the fate of countless families denied their right to reunification, in particular with their family members in the United States. Nor is the U.S. government indifferent to the fate of Romania's oppressed population, including its 2.5 million Hungarian minority, and will insist on respect for fundamental human rights as a condition for preferential treatment by the United States. This is not only morally appropriate but it is required by Section 402 of the Trade Act.

EXHIBIT "A"

Cases of family reunification—United States

ANDREIOVICI FAMILY

Petitioner: Catalina Petroniu and Mother. Residence: Los Angeles, CA. Family members: Aunt (mother's sister), Elvira Andreiovici. Uncle, Mircia Andreiovici. Two children, Camelina, 21 years; Aurelina, 15 years. Nephew and his wife, Horia Paul and Michaela Paul. Residence: Bucharest, Str. Regenrarii Nr. 9.

At least eight applications to emigrate by this family have been rejected. The family is reportedly being subjected to harassment. Nothing has been accomplished at the meetings which the family has had with the Romanian government. It is now almost four years since their initial application to emigrate from Romania. Both parents have been dismissed from their previous accountant jobs and their older daughter has been unable to find employment because of the family's wish to emigrate.

POVIAN FAMILY

Petitioner: Nicolae Povian. Residence: 21636 Masonic, St. Clair Shores, MI, 48082. Fiancee: Leia Lupulescu. Residence: City of Timisoara, Str. Cerna, nr. 19, County of Timis, Romania.

The petitioner is a lawful permanent resident of the United States who emigrated from Romania. He has filed the required affidavit of support of his planned marriage for the United States government, and on 12 December 1980 made application with the Romanian authorities in the U.S. for approval of his marriage. Meanwhile, his fiancee requested in January 1981 the necessary documents for emigration in Romania. However, the Romanian authorities there have consistently refused to deal with her or to meet her requests.

GEORGESCU FAMILY

Petitioner: Zilitseanu Gabriela Georgescu. Residence: c/o Office for Student Affairs, The American College of Switzerland, Leysin, Switzerland. Family member: Husband, Dr. Dan Georgescu. Residence: Cihoschi Street 10, 2nd floor, apt. 9, Bucharest 71134 Romania.

Since August 1982 the petitioner has lived in Switzerland, where since November 1982 she has been the Senior Department Assistant to the Dean of Student Affairs at The American College of Switzerland. In October 1982 her husband applied with the Romanian authorities in Bucharest for a passport in order to rejoin his wife.

COTRUTA FAMILY

Petitioner: Tudor Cotruta. Residence: 9050 Carron Drive #256, Pico-Rivera, CA, 90660. (213) 949-8847. Family members: Daughter, Son-in-law, 2 grandchildren.[1]

The petitioner, his wife, and youngest daughter are lawful permanent residents of the United States, where they have lived for over a year since emigrating from Romania. He has been attempting for some time to arrange for one of his other daughters, here husband, and two children to emigrate from Romania. Although the Romanian government has approved the family's petition to emigrate, it is refusing to issue the passports until the family pays $7,400 US in an education tax. However, the family is unable to raise the necessary funds. Additionally, the American embassy in Romania has informed the family that their skills do not make them eligible for entry into the United States. The petitioner's daughter is a draftsman, and his son-in-law is a photographer with two years of computer education.

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[1] Daughter: Luminita Tapu. Son-in-law: Cornel Doran Tapu. Grandchildren: Alina Tapu, 4 yrs. old, Adina Tapu, 4 yrs. old, Roland Tapu, 1½ yrs. old. Address of Tapu family: 13th of December St. No. 77 City Brocov, Romania.

VATRA-DORNEI GROUP

Members: Natan Fleischer, Herman Rubinger, Samuil Feiden, Isaac Bleichner.
Residence: All at Str. Dornelor 16, Vatra-Dornei, Romania.

The Vatra-Dornei group is composed of four elderly Romanians, all over seventy years old, who were seized and sentenced to hard labor 29½ years ago on charges of "counter-revolutionary sabotage." Although no longer imprisoned, they now bear very large fines for alleged "damage to state interests" and are consequently unable to leave the country. Other members of the group received amnesty from similar fines in 1980 after US intervention and the promulgation of Romanian Decree 199. The four men listed above still await amnesty. Even before they can hope to emigrate then, they need amnesty and their case is therefore different from the other divided families cases. Because of their long suffering and ill health, though, their situation is equally serious.

Chairman GIBBONS. Thank you very much.

Let me ask a question of both of you. A previous witness, Mr. Gereben, mentioned a requirement that I had not heard of before, and that was the requirement of paying the unpaid balance on your home before being allowed to leave.

Can you confirm this? Do you have any reports on this?

Ms. SHEA. I have not run across any reports on that, no. I have heard of confiscations of property, including apartments and personal belongings, but that particular example or set of facts, no.

Mr. KOSZORUS. I cannot confirm that specifically. However, my understanding is that that decree requires the repayment of fees other than an education tax or education fee, such as the medical fees that I mentioned. It could very well include a requirement for repayment of the unpaid balance on a home—I do not know that for a fact.

Chairman GIBBONS. Well, I would hope that in your informal monitoring process or unofficial monitoring process that you carry on you would attempt to verify these matters for us.

Mr. KOSZORUS. We could certainly attempt to and certainly would pass that information on to you.

Chairman GIBBONS. We do not intend to tolerate any obfuscation of the agreement not to levy a tax on people who are seeking to emigrate by whatever means.

Now, I realize there are reasonable fees and charges. We make those in our country and other countries make them, too. I am not that familiar with property ownership in a Socialist country such as Romania. So I do not know how to compare what goes on there, but certainly attempts to avoid our good faith arrangement on the education tax should not be subverted by some other form of activity.

I appreciate your coming and giving us this testimony.

Have either of you had a chance to research the law since the recent Supreme Court decision?

Ms. SHEA. Excuse me. I did not hear you.

Chairman GIBBONS. On the legislative veto, have you had a chance to research the law since the legislative veto?

Ms. SHEA. I personally have not.

Chairman GIBBONS. I have done some preliminary work on it, but I cannot get a chance to sit down long enough to work on it. I have come to the conclusion that the legislative veto is not a very effective weapon anymore.

Mr. KOSZORUS. The law group, or I personally have not surveyed the law. However, it is my understanding that other members of the law group are preparing an analysis of the Supreme Court's ruling on all legislation affecting——

Chairman GIBBONS. Well, sometime in the future the committee will hold a hearing that is directed toward that subject as we try to see what is the best way to monitor the situation in the future.

I want to assure you and all those that are here that we will continue to monitor very closely the provisions of Jackson-Vanik.

Let's see, Mr. Crane, would you have any questions or would you like to make a statement?

Mr. CRANE. I have no questions, Mr. Chairman, but I, too, want to congratulate the witnesses for bringing this testimony before the committee. And as you know, I have some strong feelings on the MFN for any Communist country. But we will take that up at a later time, and I thank them for their testimony.

Chairman GIBBONS. Thank you very much.

This concludes our hearing for today on this subject. The record will remain open for a reasonable time, until the 21st of this month. Because of the time problems we have and the House rules, we are going to have to take action relatively soon.

I would ask the staff to assimilate as much of this information as we can today, contact the Romanian Government and see what we can work out, and our own State Department, too, of course, and see what we can work out on these matters.

Thank you very much, all of you, for coming.

I hope that when we meet again next year the situation will be a lot better.

This adjourns the meeting.

[Whereupon, at 2:40 p.m., the hearing was adjourned.]

[Submissions for the record follow:]

STATEMENT OF CYRUS GILBERT ABBE, NEW YORK, N.Y.

For years the Romanian government has deceived both the American government and the American Jewish Community during this Subcommittee's hearings on extending most-favored-nation trade privileges to Romania by promising an improvement in its severe restrictive policy on emigration and an end to its tortuous procedure and harassment of individuals who want to emigrate. Each year after the hearings are concluded there is disappointment as Romania fails to live up to its promises. But this past year was probably the grossest example of Romania's unreliability. Soon after the Romanian Ambassador advised the trade subcommittees of his government's intention to improve its emigration record and Romania was granted an extension of most-favored-nation trade privileges for another year, it imposed an extraordinary and enormous education tax on potential emigrants thereby preventing individuals who applied to emigrate from leaving and frightening potential applicants from even daring to request emigration application forms. Romania knew this education tax was in complete violation of the conditions for obtaining most-favored-nation trade privileges and that it completely contradicted the assurances it had just given to Congress. Nevertheless it acted with complete disregard for its commitments and for the basic human rights protected under the Trade Act and the Helsinki Accord of which it is a signatory.

Romania has not only repeatedly broken its word to the American government but for years it has also broken its word to the American Jewish Community. In 1979 in order to mute any objections by American Jews at the Trade Subcommitte hearings to extension of most-favored-nation trade privileges it specifically agreed with the American Jewish Community that it would allow any person who wanted to emigrate to do so and would expeditiously process emigration applications. It is four years later and Romania has still failed to keep its word.

Based upon my visits to the Jewish Community in Romania, extensive discussions with Romanian Jews who have, after great difficulties, been allowed to emigrate from Romania, and substantial correspondence with Jews in Romania and their relatives all over the world, I have the following conclusions:

1. There are probably about 60,000 to 70,000 Jews living now in Romania and most of them would like to emigrate and be reunited with their families in Israel. Although synagogues may exist in Romania, everyone is required to work on Saturday so that the only Jews able to attend Sabbath morning services are those who are retired. Although kosher food and other religious observances may be maintained, this limited form of Jewish life does not compare with the full Jewish existence available in Israel, and the Romanian Jews long to join their families in Israel. There are now about 300,000 Romanian Jews living in Israel, most having left Romania just after the end of World War II, so those left in Romania frequently have almost their entire family in Israel.

2. Although about 4,000 Jews left for Israel each year in 1973 and 1974, only approximately 500 have left in the first six months of this year. If this rate continues for the remainder of the year and only 1,000 leave in 1983, it would constitute a decline of 75 percent from the number allowed to emigrate in 1973 and 1974.

3. The Romanian government has instituted a complex and tortuous application procedure for an exit visa not only to delay seriously and unnecessarily the length of time an applicant must wait for an exit visa but also to intimidate, frighten and discourage Jews from asking for exit visas. Whereas previously a person wishing to emigrate completed a large application form and then could wait months or years for a response, several years ago the Romanian government instituted a new procedure whereby the applicant must first complete a brief preliminary form. Only if this is approved does he receive the large application form. (Jews in Bucharest suspect the reason for the change was so that when a member of Congress would ask about an individual seeking to emigrate, the Romanian Ambassador could say he hadn't even applied to leave when in reality the government had rejected his preliminary request and refused to give him an application form.) After the applicant submits the preliminary request a delay of at least several months frequently follows and then he is summoned to a meeting at the local People's council in the area where he works. There he is frequently humiliated and advised to withdraw his request. If he refuses, he is often threatened and told orally that he will not be permitted to leave. After more months of waiting he may receive a formal written rejection of his request. He then begins to submit complaints with the hope that the decision will be reversed. It may never be reversed, or sometimes after a short or long period of waiting his compliant is recognized and he is given the application form. After he completes and submits the application form he continues to wait with no assurance of approval. If his application form is approved, he has to obtain and submit to the government dozens of documents regarding his home, his job, etc., and if those documents are all in order, his exit visa will finally be granted. At all of these steps applicants are rejected, but since an applicant has already announced his desire to emigrate from the beginning of this tortuous proceeding he is frequently subjected during this long period of time to harassment and persecution such as being followed, having his phone tapped and being fired from his job so that he is obliged to remain in Romania but has no source of income. Is there any doubt in the face of this procedure that the Romanian government has decided to violate the terms of the Helsinki Accord and the provisions of the Jackson-Vanik amendment, to break its word and assurances to the American Jewish Community, and to violate its repeated promises to the American government? Can anyone doubt that this procedure and the accompanying persecution make many Jews who want to leave too frightened to take the first step and ask for the preliminary request to emigrate form? And yet, in spite of enormous deterrence and the fear facing any applicant, thousands of Jews are registered in Romania as applying for emigration visas, and even those who have been waiting for years and years without obtaining the Romanian government's approval are hopeful that pressure from the American government and international criticism will cause Romania to grant them permission to finally join their families in Israel.

In view of Romania's repeated failure to live up to its word, I do not believe this Trade Subcommittee can rely on Romania's assurance once again that it will improve its record on emigration. Last year renewal of most-favored-nation trade privileges was accorded on Romania's assurance of improvement in emigration. Instead, Romania passed the education tax making the emigration situation worse. Now Romania is supposedly assuring the American government it won't enforce the tax (but it apparently is not being repealed so it can be quickly enforced at any subsequent time) in order to obtain the trade privileges for another year. Romania should not be rewarded for making a bad situation worse last year by imposing an education tax just because this year it promises not to enforce the tax.

I am proud as an American of our government's concern for human rights around the world, for free emigration, for reunification of families. But how shallow our words must appear when year after year despite the constant expression of concern by this Committee and other Congressmen the Romanian government prevents Jews from joining their families in Israel and continues an application procedure which is tortuous and intimidating. With emigration of Romanian Jews to Israel down by about 75 percent and the application procedure a terrifying example of Romania's disregard for the principle of free emigration it is time to deny most-favored-nation trade privileges to Romania until concrete evidence is provided by the Romanian government that (1) it will increase the number of Jews who are allowed to emigrate to a total of at least 4,000 a year, which is approximately the total that was permitted to emigrate before Romania obtained most-favored-nation trade privileges, and (2) the application procedure has been changed completely. This Trade Subcommittee should continuously monitor the emigration procedures in Romania and the handling of individual emigration applications to determine if Romania is keeping its word. Such action by this Trade Subcommittee and Romania's strong desire for trade with America will encourage her to change her emigration policies quickly, and the Jackson-Vanik Amendment will have effectively assisted numerous individuals to live free from persecution and to be reunited with their families.

STATEMENT OF LASZLO PASZTOR, CHAIRMAN OF THE EXECUTIVE BOARD OF THE AMERICAN HUNGARIAN FEDERATION, INC.

The American Hungarina Federation, Inc. (AHF) with its member churches, federations, clubs and chapters, is continuing to monitor the situation in Hungary and Romania.

President Reagan attached documents to his letter to the Congress of the United States of June 3, 1983 giving his reasons for the extension of waiver authority which state:

"These agreements continue to be fundamental elements in our political and economic relations with those countries, including our important productive exchanges on human rights and emigration matters."

With respect to Hungary, the AHF has not, and does not now, oppose MFN to that country. The AHF adopts this posture because of the benefits to U.S. trade policies and to the Hungarian people of expanded trade and because of the concomitant economic reforms and relative liberalizing trends that have been initiated in Hungary in the past. Recently, however, there are ominous signs of a reversion to more oppressive policies. For instance, the renowned author, Csori Sandor, has been deprived of one year's income by the authorities and told that he would not be allowed to publish or travel abroad for that same period of time. The reason for his "punishment" was for writing a foreword in a book authored by Miklos Duray of Czechoslovakia who chronicled the oppressive measures taken against that country's Hungarian minority. Therefore, we encourage this committee to emphasize to the Hungarians that their human rights record is also an important factor which is taken into account by Congress when it considers continued or expanded trade. Specifically, we urge that the Hungarian government restore Csori Sandor's and the other harassed intellectuals' civil rights.

The AHF, as well as its individual members have, with growing anxiety, followed the gross and persistent human rights violations in Romania. Particularly alarming is the discrimination and persecution of the 2.5 million Hungarian minority by the Romanian government whose obvious intent is to denationalize and assimilate the members of that group. Equally disturbing and tragic are the oppressive measures taken against religious groups.

As stated by the Staff Report submitted to the Congress of the United States by the Commission on Security and Cooperation in Europe, dated November, 1982 at page 66:

"Amnesty International, the International Human Rights Law Group and Ethnic constituencies in Western CSLE states assert that the Romanian Government discriminates against minorities as a matter of policy. Others maintain that no national policy of discrimination exists per se, but that the government's emphasis on national unity and societal change in effect permits biased officials to engage in widespread discriminatory practices with impunity. Since there are few realistic opportunities, except for emigration, for redress of human rights grievances, making the distinction as to whether or not a discriminatory national policy toward minorities exists makes little practical difference."

In fact, the widespread oppression under which the members of the Hungarian minority live in Romania is well documented. These include the precipitous decline of Hungarian-language educational institutions at the elementary and high school levels and the elimination of Hungarian universities; the dissolution of compact Hungarian communities; the suppression of Hungarian and other minority languages; curtailment of human contacts and cultural exchanges with hungarians outside of Romania; harassment of churches and religious groups and confiscation of their archives; falsification of census figures and history; and the concomitant persecution of individuals who raise their voice against political, social, cultural and religious discrimination with the most outspoken individuals being condemned to forced-labor camps or held incommunicado with little or no trace of their whereabouts.

Examples of the persecution of individuals who speak out against Romanian denationalization policies include the arrest in November of numerous Hungarian intellectuals in connection with the publishing of the samizdat *Ellenpontok* (Counterpoints). Two of those arrested, Ara-Kovacs Attila and Toth Karoly, were beaten and subjected to brutal interrogations. After their release they were subsequenlty harassed and taken again into custody.

Other outspoken Hungarians, such as Borbe Erno and Biro Katalin of Miercurea Ciuc, disappeared last November and are presumed to have been sentenced to life imprisonment. Similarly, Visky Arpad of Sfintul Gheorghe disappeared in February, 1983 after he was arrested by the Romanian secret police. Subsequently, at the end of April he was tried in Bucharest and sentenced to forced labor to the Danube Delta.

Despite the extension by the United States of trade benefits to Romania during the past several years and despite wishful thinking that continued trade without anything more will somehow enhance human rights in Romania, the contrary is actually the case.

Therefore, we urge this committee to communicate in no uncertain terms by withholding MFN to Romania and thereby signaling that the Congress shall not ignore oppressive policies directed at Romania's ethnic and religious groups and continued trade benefits from the United States will not be extended unless some measures are taken to ease the plight of those groups.

As Romania's suspension of the emigration tax clearly demonstrated, Romania can be quite sensitive and responsive to the specter of losing trade advantages. The AHF wishes the U.S. to use whatever leverage it may enjoy to enhance the rights of Romania's persecuted Hungarian and other ethnic and religious minorities.

STATEMENT OF DR. JOHN B. NADAS, NATIONAL PRESIDENT, AMERICAN HUNGARIAN FEDERATION

The American Hungarian Federation respectfully request you in the name of 1.7 million Americans of Hungarian descent to oppose renewal of the Most Favored Nation Status to the Rumanian Government.

The harsh and increasingly oppressive policies and systematic efforts of President Ceausescu of the Socialist Republic of Rumania to forcefully assimilate its minority population, especially the Hungarian population in Transylvania, causes us great concern. Transylvania, which was a part of Hungary for more than a thousand years, was given to Rumania under the Treaty of Trianon in 1920 for treason without plebiscite, has more than 2.8 million native Hungarians who are being denied cultural freedom.

The persecution of the Hungarians in Transylvania by Rumanian authorities are well known worldwide. There is systematic confiscation and destruction of historical and religious documents which prove the thousand year old Hungarian culture of the region, massive dispersion of Hungarians in various parts of Rumania by job assignments, disruption of the ethnic identity of Hungarian cities and villages, denial of their right to use their own language in public, and to have their own Hungarian schools. Terrorization and harassment of Hungarians by local authorities are daily events.

Recently the conditions in Transylvania have grown even worse. On April 29, 1983, the newspaper KURIER in Vienna, Austria, reported that Rumanian government agencies have placed posters and placards in railroad stations and bus terminals as well as inside the buses and railroad cars urging "Romanian patriots" to "exterminate the Hungarians anywhere they can be found!".

On May 10, 1983, Dictator Ceausescu declared in his speech, heard by millions of people: "Contrary to the principles of Marxist socialism, the glorious achievements of our Romanian socialism are solely for the benefit of our own Romanian brothers and sisters, and in no way can benefit those foreigners who lurk in the dark corners of our beloved country! Tell them, wherever you happen to encounter one of those Hungarian dogs, that they have no place under the Romanian sky! They can be nothing more in our land but slaves! Unless they change their names and prove themselves good Romanians, not even their children's children will ever be more in this land of ours than lowly beasts of burden, carrying rocks for our pyramids of the glorious Romanian future!"

Emigration is not a solution for the protection of the oppressed Hungarian population in Transylvania. They want to live and foster their own culture on their native land where their forefathers lived centuries before the Rumanians moved in and took over.

Since Rumania is not in compliance with the Helsinki Final Agreement and other international agreements which reaffirm the provisions of Article 27 of the 1966 U.N. Covenant of Civil and Political Rights, we urge that America do what it can to demonstrate its opposition to these violations.

Until improvements are made by the Rumanian government to restore the human and national rights of the Transylvanian Hungarian population, we request you to oppose renewal of the Most Favored Nation Status and other trade privileges under Section 402 of the Trade Act of 1974 for the Socialist Republic of Rumania.

We are sure that through the proper interpretation and application of the Trade Act, the United States can promote her own principles more forcefully and encourage compliance with the Helsinki Agreement Human Rights provisions.

STATEMENT OF TAMAS A. DEKUN, AMERICAN-TRANSYLVANIAN ASSOCIATION

Good afternoon Mr. Chairman, ladies and gentleman. It is a pleasure to be here. I would like to thank you for the opportunity to testify on behalf of the American-Transylvanian Association.

Our concern at the Association is the overwhelming importance the President and Congress place on the emigration performance of minorities from the Romanian Socialist Republic. However, the Trade Reform Act of 1975 established the dedication of the United States to the cause of fundamental human rights as the main purpose of the Trade Reform Act. Despite all this, the curtailment of fundamental human rights and cultural freedoms persists in the Socialist Republic of Romania resulting in devastating effects upon the national minorities. Furthermore, the U.S. government seems to dwell on the treatment of 40,000 Jewish minorities, rather than the fate of Europe's largest and most cultured minorities: the 2.5 million Hungarians and 400,000 Saxons.

The systematic genocide of the Transylvanian minorities continues and the dictatorious activities of the Ceausescu government have increased over the last year, (i.e., writers, journalists and intellectuals of Hungarian and Saxon origin are continually arrested and all typewriters in private hands must be registered at state security offices). In previous testimonies before this Subcommittee, we described at length the various atrocities perpetrated; however, we do not wish to waste valuable time in further reiteration.

In my recent conversation with the Chairman of the House Foreign Relations Committee, the Chairman stated, "it is better to have them on our side than on their's (the Russians)." Not even now that the Soviets mainly occupy Poland and Afghanistan is Romania loyal to the West. They actively support Latin American communist countries and organizations. Additionally, Romanian lobbyists very clearly cleverly mislead our politicians. Due to Romania's dictatorship and geopolitical situation, it would be very foolish to count on her loyalty towards the west.

There are approximately thirty-two U.S. firms in Romania. Questions regarding her ability to reimburse loans became a deterrent to trade expansion during 1981–82. Romania's international debt exceeds $11 billion and the government/financial institutions are practically bankrupt. We predicted this fact in 1980 before the Senate Subcommittee on International Trade. At that time, all U.S. government officials and business executives vehemently opposed our foresight. Their economic situation will not improve due to Romania's rigid Stalinist economic system. Furthermore, if we continue monetary support, we would throw good money after the bad.

Knowing these facts, I ask the Subcommittee why the United States government should consider continuing Most Favored Nation Status for Romania? If the extension is to be granted due to political reasons, it is our opinion that our foreign policymakers understand very little about Romania and Romanians. (Please read the attached short history of Romanian political maneuvering, "Is Romania a Reliable Political Partner for the Western Nations?").

Unless Romania drastically changes her blatant genocide of minorities and revamp here economic system, we strongly urge this Subcommittee to revoke Most Favored Nation Status to the Socialist Republic of Romania.

ADDITIONAL TESTIMONY FOR THE RECORD, BY TAMAS A. DEKUN, AMERICAN-TRANSYLVANIAN ASSOCIATION

IS RUMANIA A RELIABLE POLITICAL PARTNER FOR THE WESTERN NATIONS?

"Rumanian policy has always rested on the axiom that Rumania must enter wars at a minimum risk, always find a place at peace conferences at the victors' side, so as to extract the greatest advantages at the cost of the smallest sacrifice possible." (Aldo Dami, the great Swiss expert of national minorities' problems.)

To exemplify this statement we would like to mention a few facts from the 20th century:

Rumania extended the Austro-Rumanian Treaty of 1883 for a decade in 1913. Already in 1916 Rumania had joined the Allies which was a stab in the back to her former allies "because she anticipated our victory not for the sake of our just cause . . . and when she left us in the lurch on May 8th, 1918, having signed a peace treaty, which Clemenceau qualified as a disgraceful art of cowardice, she did so for fear of having backed the wrong horse. In November 1918 she sided with us once more, falling into the back of Field Marshall Macensen's retreating armies, because we were victorious and she was determined to get her share of the booty . . . "What a damned audacity," exclaimed Clemenceau. (Former French Senator Henri Possi: Les Coupables, Paris, 1934, pp 95–96).

When the archives of the French Ministry of Foreign Affairs, for 1918–1919 were opened in 1972, they shed new and startling lights on the Transylvanian affairs that led eventually to the Treaty of Trianon. It became quite evident that Clemenceau had to pay off the Rumanians at once with Transylvanian territory they coveted, because of the sudden crisis on South Russia where allied troops under French command were being defeated by the Red Army and quick reinforcements were needed from neighboring Rumania. That was the price for the promised Rumanian support of the threatened French force and that military situation was perpetuated and eventually transcribed politically into the Treaty of Trianon in 1919. The sole victor was Rumania, again.

To justify their enormous territorial gains because of the Treaty of Trianon, the Rumanians developed a totally undocumented theory suggesting that they were the descendants of the Dacian-Romans and consequently Transylvania belonged to them by historical rights. We do not want to cite a long list of the most distinguished scientists of this century who rejected that theory, except maybe one, Pierre George, the world renowned professor of the Sorbonne, Paris, and of the Institute d'Etudes Politiques de l'Universite de Paris. He wrote: "The theory of the so-called continuity making the Rumanians descendants of the Romanized Dacians was actually abandoned. The gap of a thousand years between the withdrawal of the Romans from Transylvania '3rd century' and the date of the earliest existing document that accounts of the presence of the Rumanians (so-called Vallachs) in that country (Charter of Fogaras, in 1222) creates a major difficulty for such assimilation. On the contrary, the archives of the Balkans and the linguistic studies allow us to pursue a slow process of the pastoral Vallach population from the Macedonian and Albanian borders to the Danubien plains between the 10th and 14th centuries. . . . The Rumanian language and civilization were formed in the Balkans. . . . The Rumanian nation is the most synthetic of the nations of Central Europe. They crossed the path of the Hungarians which have the benefit of being the earlier settlers. . . ." From: L'Europe Central, pp 239–240, by Pierre George and Jean Tricart, Paris, 1954.

Even Lloyd George who was one of the leading characters during the discussions of the Treaty said in 1928: "All the documentation we were furnished with by certain allies during the negotiations with said country, were falsehoods and trickeries, we have decided on that." (Henry Pozzi: La Guerre Revient, Paris 1933, p 303). It makes one think of the terrifying words allegedly pronounced by Frederick II of Prussia: "I grab, I loot, and I steal, thereafter it is up to my lawyers to find the appropriate justification."

In the same fashion, Rumania signed a treaty with France and Great Britain in 1939, to secure her frontiers vis-a-vis Hungary. Yet, in the same year she signed a treaty on economic matters with Germany. The German-Soviet non-oppression pact of the same year left Bessarabia in the sphere of interest of the Soviet Union. On June 28, 1940 the Soviet Union occupied Bessarabia and northern Bukovina. The Tatarescu government was helpless, but then renounced the French-British security pact and requested openly from the German Reich to secure her new frontiers and to send military missions to Rumania. On September 1, 1940 General Ian Atnonescu demanded that the Rumanian King Carol to renounce his power as supreme military commander and invite the extreme-right Iron Guard into the government.

Mass demonstrations against the King turned the situation into a crisis. They protested the decision of the "Second Vienna Award," an arbitration that the Rumanian government requested. The decision returned Northern Transylvania to Hungary again—where it belonged for 1000 years, except for the 20 years after the Treaty of Trianon. ("Hungary's right to Transylvania is much more justified, than is France's claim to Alsace-Lorraine."—Aldo Dami: La Hongrie de Demain, Paris 1932, pp 95-96.—The latter's population is 80 percent Germanic and belonged to France for only 250 years; whereas Transylvania belonged to Hungary for 1000 years.) King Carol renounced his throne in favor of his son and left the country. Antonescu became head of state (conducatur statuli) and formed a coalition government with the Iron Guard. The Guard committed enormous atrocities, killed 64 political antagonists, among them the famous historian Nicolae Jorga. Antonescu visited Hitler on November 23, 1940 and joined the Axis Powers. The next year Hitler promised to reward Rumania with Transylvania. Rumania took part in the miltiary operations against the Soviet Union. Then in 1943 she began secret negotiations with the Allies again. The following year Hitler told Antonescu that the Hungarians lost any claim for Transylvania because of their neutral attitude, but asked Natonescu not to talk about it. On August 23, 1944 the Soviet troops encircled the Rumanian-German forces. The King arrested Antonescu and handed him to the Communist party. On August 25, 1944 Rumania declared war on Germany.

Now, how is it at the present? Rumania is widely considered by the western nations as a reliable party and one which can be turned away from the Communist Block. This is wishful thinking. As in 1956, when the entire free world showed its sympathy toward Hungary's new tragic drama, Rumania ordered mass arrests in Transylvania and hundreds were put to death. In one trial alone in Cluj, thirteen out of fifty-seven accused were executed (George Bradley, American journalist, the Reporter of November 1964). Contrary to the western nations, Rumania did not even want to take a neutral attitude but competed with the Soviet terror. When Rumania senses the weakness of the western powers, she turns to the other side.

Currently, the western world has to live in a very dangerous crisis because of the Iranian and Afghanistan situation. The entire free world's future is at stake. Rumania true to her tradition, plays the Russian-tune now, as it became obvious recently. Why? Again "to extract the greatest advantages at the cost of the smallest sacrifice possible."

Prepared by the American-Transylvanian Association, Washington, D.C.

STATEMENT OF DR. DIMITRIE G. APOSTOLIU, PRESIDENT OF THE AMERICAN-ROMANIAN NATIONAL COMMITTEE FOR HUMAN RIGHTS

Honorable Mr Chairman,
Honorable Congressmen, Members of THE COMMITTEE

Forced by TERRORIST PRESIDENT NICOLAE CEAUSESCU of COMMUNIST ROMANIA and of his COMMUNIST GOVERNMENT's flagrant violation of" THE UNIVERSAL DECLARATION OF HUMAN RIGHTS of THE U.N,-ofHELSINKI AGREEMENT'sBASKET THREE,-of THE EXPRESS CONDITION OF " EASING THE EMIGRATION FROM COMMUNIST ROMANIA"-CONDITION WITH WHICH TERRORIST NICOLAE CEAUSESCU personal agreed upon " THE TRADE AGREEMENT" and " THE MOST FAVORED NATION's CLAUSE" since 1975 to date,-and FORCED TOO BY TERRORIST PRESIDENT NICOLAE CEAUSESCU's ful support of INTERNATIONAL TERRORISM,-
-" THE AMERICAN ROMANIAN NATIONAL COMMITTEE FOR HUMAN RIGHTS" organised: "THE FIFTEENTH ROMANIAN HUNGER STRIKE FOR FORCED SEPARATED FAMILIES REUNION IN THE USA AND FOR THE RESTORATION OF HUMAN RIGHTS AND OF FREEDOM OF RELIGION IN COMMUNIST ROMANIA".
We started this new ROMANIAN HUNGER STRIKE-THE FIFTEENTH ONE-in front of COMMUNIST ROMANIA's MISSION TO THR U.N. in NEW YORK CITY, on MAY 28,1983 and oved it in WASHINGTON D.C. on CAPITOL's steps, on the sidewalk of THE WHITE HOUSE and in front of COMMUNIST ROMANIA's EMBASSY since JUNE 91983.-
Different groups of HUNGER STRIKERS from all over THE USA and from MONT REAL,CANADA,joined THE HUNGER STRIKE by rotation-one group being in HUNGER STRIKE and then going in recovering at home and the other one group replaced the one in recovering that on this way THE HUNGER STRIKE to be going on and on...
Myself, as President of AMERICAN-ROMANIAN NATIONAL COMMITTEE FOR HUMAN RIGHTS, organiser, participant and spokes an of HUNGER STRIKERS,I cane today on U.S. HOUSE OF REPRESENTATIVES FLOOR, that in my name-the one who was 16 years POLITICAL PRISONER in COMMUNIST ROMANIA's POLITICAL JAILS and into THE FORCED LABOR CAMP " THE CANAL DANUBE-BLACK SEA"-and in the name of HUNGER STRIKERS, to ask that:
-THE U.S. CONGRESS TO DO NOT GRANT ANYMORE " THE MOST FAVORED NATION's CLAUSE" status to TERRORIST PRESIDENT NICOLAE CEAUSESCU and to his COMMUNIST GOVERNVENT,-FLAGRANT VIOLATORS OF HUMAN RIGHTS AND FUL SUPPORTERS OF INTERNATIONAL TERRORISM,-
-UNTIL THERE WILL BE ENTIRELY ACCOMPLISHED"

" THE TEN POINTS OF HUNGER STRIKERS"

1.-The immediate release of our HOSTAGE RELATIVES!
2.-GENERAL AMNESTY FOR POLITICAL PRISONERS AND FOR PRISONERS OF CONSCIENCE!
3.-THE IMMEDIATE RELEASE FROM POLITICAL JAIL OF Prof.Dr. REVEREND GHEORGHE CALCIU DUMITREASA AND THE ISSUANCE OF HIS PASSPORT!
4.-THE IMMEDIATE RELEASE FROM THE TERRIBLE POLITICAL JAIL GHERLA OF VASILE PREDA, ONE OF THE FOUNDER IN 1978 OF " THE FREE TRADE UNION OF ROMANIAN WORKERS"-and THE ISSUANCE OF HIS PASSPORT IN ORBER TO JOIN IN NEW YORK CITY HIS PARENTS AND OTHER THREE BROTHERS FOR THEIR FORCED SEPARATED FAMILY REUNION IN THE USA!
5.-THE IMMEDIATE ISSUANCE OF PASSPORTS OF THE OTHER TWO FOUNDER MEMBERS OF " THE FREE TRADE UNION OF THE ROMANIAN WORKERS"(S.L.O.M.R"in ROMANIAN language) Dr. BRASOVEANU and Dr CANA!-

6.-"THE FREE TRADE UNION OF ROMANIAN WORKERS"-"S.L.O.M.R" WILL BE REGISTERED WITH ROMANIAN DEPARTMENT OF JUSTICE IN ORDER TO ACT LEGALLY IN BEHALF OF ITS MEMBERS AS POLAND's " SOLIDARITY" DID!

7.- THERE WILL BE ABOLISHED THE PUNISHEMENT WITH CONFINEMENT INTO FORCED LABOR CAMPS,PSYCHIATRIC HOSPITALS AND FORCED RESIDENCE FOR POLITICAL PRISONERS AND PRISONERS OF CONSCIENCE!

8.- THE YEARS SERVED BY POLITICAL PRISONERS AND PRISONERS OF CONCIENCE IN POLITICAL JAILS, PSYCHIATRIC HOSPITALS AND FORCED LABOR CAMPS THERE WILL BE TAKEN INTO THE AMOUNT OF PENSIONS AND RETIREMENT PLANS AS"YEARS SERVED INTO THE FIELD OF WORK"EITHER,IN THE FORMER PRISONERS PLANS AND IN CASE OF PRISONER's DEATH,- INTO THE RETIREMENT AND OR PENSION PLANS OF WIDOWED WIVES OR ORPHANED CHILDREN!

9.- THE EXILES WHOSE PRIVATE PROPERTY HOMES WERE NATIONALISED OR FORCED TAKE OUT BY COMMUNIST ROMANIAN GOVERNMENT TO RECEIVE DAMAGES FOR THE VALUE OF THE HOUSE AND VALUABLES ON THE PRICES OF THE AMERICAN MARKET, IN AMERICAN DOLLARS!

10.-THERE WILL BE CLOSE DOWN ALL COMMUNIST ROMANIA's MILITARY CAMPS OF TRAINING IN ESPIONAGE ON U.S.A. TERRITORY AND IN GUERRILAS WARFARE FOR COMMUNIST TERRORISTS EITHER; THE ONES OF ROMANIA's TERRITORY AND THE ONES OF OVERSEAS AS THE ROMANIAN MILITARY ACCADEMY OF FLIGHT OF ANGOLA, AND TERRORIST NICOLAE CEAUSESCU AND HIS COMMUNIST GOVERNMENT WILL STOP ONE FOR EVER THE INTERNATIONAL SUPPORT OF TERRORISM !

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DO YOU HAVE ANNEXED THE LIST OF HUNGER STRIKERS AND OF THEIR RELATIVES HOSTAGES IN COMMUNIST ROMANIA,
TERRORIST NICOLAE CEAUSESCU AND HIS COMMUNIST GOVERNMENT,DENIED THEIR HUMAN RIGHT TO BE REUNITED WITH THEIR RELATIVES IN THE USA, AND THE SECURITY HARRASED AND ARE STILL HARASSING THEM.
I HAVE TO POINT OUT THAT ALL THE PRESENT HUNGER STRIKERS, TRIED TO RESOLVE PEACEFULLY THEIR CASES OF FORCED SEPARATED FAMILIES REUNION IN THE USA BY CONTACTED THE ROMANIAN COMMUNIST EMBASSY OVER HERE, THEY RECEIVED ASSURANCES THAT THEIR CLAIMS WILL BE RESOLVED, BUT NONE OF THE CASES WAS RESOLVED . THE ROMANIAN OFFICIALS OVER HERE ONLY LIED!
STARTED WITH COMMUNIST AMBASSADOR MIRCEA MALITA AND ENDING WITH CONSUL SAVA AND ALL OF THEM!
-WHEN , AFTER THE FIRST POLITICAL AMNESTY IN COMMUNIST ROMANIA, APRIL 1964, there was founded " SECURITY's DEPARTMENT OF " VISAS AND PASSPORTS" in BUCHAREST, ANY OF WOULD BE EMIGRANT HAD TO FILE OUT A SINGLE APPLICATION!
After THE US CONGRESS GRANTED TO TERRORIST NICOLAE CEAUSESCU FOR THE FIRST TIME " THE MOST FAVORED NATION's CLAUSE" in 1975, and continuesely since then for EIGHT YEARS, despite TERORIST CEAUSESCU's personal connitenet of " EASING THE EMIGRATION FROM COMMUNIST ROMANIA" ,- THERE WERE ESTABLISHED MORE THAN 12 STEPS FROM EACH A WOULD BE EMIGRANT MUST JUMP, TILL TO RECEIVE THE FINAL APPLICATION " SO CALLED " THE BIG FORMS".
THOSE 12 NEW STEPS, INSTEAD OF " THE ONLY ONE"EXISTEND WHEN THE EMIGRATION PROCEEDINGS WAS PROVIDED BY LAW!
-In 1983 TERRORIST CEAUSESCU AND HIS COMMUNIST MACHINE OF TERROR,DISCOVERED A NEW ONE WAY OF HARRSSYNIG THE WOULD BE EMIGRANTS;THE YOUNG ONES,RECEIVED " THE BIG FORMS"-WHAT MEANS THE FINAL APPROVAL, BUT...THEY WERE DRAFTED TO MILITARY FORCED LABOR UNITS...THEREFORE, THEMSELVES AND OTHER OF THEIR RELATIVES AS OLDER BROTHERS OR SISTERS AND PARENTS,HAVE TO WAIT" TWO MORE YEARS" TILL " THE MILITARY FORCED LABOR TERM IS OVER , AND THEN TO START AGAIN THE 12 STEPS OF APPLICATIONS. AND IF YOU FAIL ONE OF THIS STEP, DO YOU HAVE TO START WITH THE FIRST ONE. AGAIN AND AGAIN!
THAT MEANS IN THE TERRORIST CEAUSESCU's WAY" THE EASYING OF EMIGRATION"!

THAT HEAPPENED TO:DANUT STAICU of BUCHAREST ,brother of Mrs MARIA DINU (Maiden Name STAICU) of NEW YORK,who applied for EMIGRATION since APRIL 22, 1980 together his parents ANA STAICU and PAUL STAICU. THEY RECEIVED " THE BIG FORMS"what means THE FINAL APPROVAL on DECEMBER 1983

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BUT on JANUARY 1983 DANUT STAICU, a national chanpion with ROMANIAN NATIONAL SPORT TEAM, WAS DRAFTED TO THE ARMY AND CONFINED TO A FORCED LABOR MILITARY UNIT. THEN HIS PARENTS WERE SUMMONED TO PASSPORTS AND VISAS OFFICE IN BUCHAREST, ON NICOLAE IORGA STREET AND OVER THERE THE SECURITY COMMANDER OF THE OFFICE WERE TOLD THAT" THEY HAVE TO WAIT TWO MORE YEARS TILL THEIR SON's TERM OF FORCED LABOR WITH THE MILITARY UNIT WILL BE OVER.AND, AFTER THOSE TWO YEARS TO COMEBACK TO PICK UP THEIR " BIG FORMS" THAT, BECAUSE THE ROMANIAN GOVERNMENT DO NOT USE TO FORCED SEPARE A FAMILY BUT TO UNITE IT. THEY, THE PARENTS CAN BE LET TO LIVE THE COUNTRY AND TO LIVE THEIR SON IN ROMANIA. THEY HAVE TO EMIGRATE TO THE USA TOGETHER! ALL THREE OF THEM! BECAUSE COMMUNIST PRESIDENT NICOLAE CEAUSESCU IS A HUMANITARIST AND BY HUMANITARIAN GROUNDS HE APPROVED THE EMIGRATION FOR ALL THREE OF THEM!...

- THE SAME THING HAPPENED TO DANUT STAICU's COUSIN,MIHAI LUTA, OTHER YOUNG NATIONAL CHAMPION WITH ROMANIAN NATIONAL SPORT TEAM, WHO WAS DRAFTED TO A FORCED LABOR MILITARY UNIT IN THE SAME DAY WITH DANUT STAICU. AFTER" ON HUMANITARIAN GROUNDS TOO" TERRORIST NICOLAE CEAUSESCU APPROVED EXIT VISA TO HIM IN ORDER TO BE REUNITED IN THE USA WITH HIS MOTHER ELENA LUTA AND HIS MARRIED SISTER MIHAELA DONCU OF NEW YORK!...

-What I have to point out too at this chapter of "EASING THE EMIGRATION FROM COMMUNIST ROMANIA" ON THE COMMUNIST WAY OF MEANING, IS THAT:

1.- ALL " WOULD BE EMIGRANTS" WERE LAYD OFF FROM THEIR JOBS AND THEN CONVICTED FOR " PARASITISM"

2.- ALL"WOULD BE EMIGRANTS"WERE HARASSED BY BEING INTERVIEWED DURING ALL THE NIGHT LONG AND HAVING TO REPORT THE NEXT MONING TO THEIR PLACE OF WORK. THE SECURITY 's OFFICERS IS BEATING THEM , IS THREATENING THEM WITH PROSECUTION AND WITH CONFINEMENT INTO PSYCHIATRIC HOSPITALS IF THEY WILL NOT CHANGE THEIR MIND BY GIVING UP THEIR INTENTION TO EMIGRATE.

-ALL " WOULD BE EMIGRANTS" ARE LIVING IN A PERMANENT NIGHTMARE,BEING PERMANEN ELY HARASSED BY SECURITY!

-ALL " WOULD BE EMIGRANTS" HAVE THEIR MAIL WITH USA's RELATIVES CUT DOWN!

- ALL " WOULD BE EMIGRANTS HAVE THEIR PHONE CALLS WITH USA, TAPED, AND THEN THEY HAVE TO REPORT TO SECURITY's INVESTIGATORS " WHAT MEAN, EACH SINGLE WORD TOLD TO THEM OR BY THEM IN THAT OVERSEAS CONVERSATION!...

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NOW, LET SEE WHAT THE OTHER " HUMAN RIGHTS" ARE IN COMMUNIST ROMANIA.

1.-IN COMMUNIST ROMANIA, THERE IS ONLY A SINGLE ONE POLITICAL PARTY: THE COMMUNIST PARTY!

ALL OTHERS POLITICAL PARTIES WERE ABOLISHED BY COMMUNISTS!

-THE NATIONAL PEASANT PARTY IULIU MANIU, WAS ABOLISHED BY COMMUNISTS ON JULY 14,1947 WHEN ALL ITS LEADERS ALL OVER THE COUNTRY AND HUNDREDS OF TAUSENDS OF RANK -AND FILE MEMBERS -MYSELF INCLUDED-WERE ARRESTED, TORRTURED,PROSECUTED, SEND TO POLITICAL JAILS, FORCED LABOR CAMPS AND AFTER RELEASED, SEND TO FORC RESIDENCE.-

NOW, MOST OF THOSE VICTIMS OF COMMUNIST TERROR WHO SURVIVED AFTER TENS OF YEARS OF POLITICAL JAILS, FORCED LABOR CAMPS AND FORCED RESIDENCES,BY THE SPECIAL ORDER OF TERRORIST NICOLAE CEAUSESCU , NOW IN 1983 WERE AGAINN ARRESTED, TORRTURED BY SECURITY, SEND TO PSYCHIATRIC HOSPITALS, PROSECUTED, CONVICTED TO POLITICAL JAIL TERMS OR GIVEN FORCED RESIDENCE

-THERE IS THE CASE O" Dr CORNELIU COPOSU, FORMER DEPUTY GENERAL SECRETARY OF THE NATIONAL PEASANT PARTY IULIU MANIU WHO SERVED 18 YEARS AS POLITICAL PRIS AND NOW, IN 1983 WAS AGAIN ARRESTED INVESTIGATED AND TORRTURED BY SECURITY A GIVEN FORCED RESIDENCE!

- THERE IS TOO THE CASE OF ENGINEER PUIU OF BUCHAREST, A SCHOLAR, FORMER LEADER OF THE YOUTH ORGANISATION OF THE NATIONAL PEASANT PARTY IULIU MANIU, WHO SERVED 12 YEARS AS POLITICAL PRISONER AND NOW, IN 1983 WAS AGAIN ARRESTED TORRTURED BY SECURITY AND GIVEN TOO FORCED RESIDENCE!

AND THERE ARE LOT OF. DAY AFTER DAY. NIGHT AFTER NIGHT!...

BUT, DESPITE SECURITY's TERROR, THE ROMANIAN UNDERGROUND FREEDOM FIGHTER,ARE STILL FIGHTYING FOR THE RESTORATION OF HUMAN RIGHTS AND OF FREEDOM OF RELIGIO IN COMMUNIST ROMANIA AND FOR THE NATIONAL INDEPENCE OF ROMANIAN PEOPLE FROM SOVIET RUSSIA, FROM SOVIET MOSCOW! /.

- BY SPECIAL ORDER OF TERRORIST NICOLAE CEAUSESCU, TEN OF TAUSENDS OF RANK AND FILE OF " THE FREE TRADE UNION OF ROMANIAN WORKERS-" S.L.O.M.R" IN ROMANIAN SPELLING- WERE AGAIN ARRESTED AND GIVEN FORCED RESIDENCE.

- I REMEMBER TO YOU, HONORABLE CONGRESSMEN THAT " THE FREE TRADE UNION OF ROMANIAN WORKERS"-" S.L.O.M.R "- WAS FOUNDED TWO YEARS BEFORE POLAND's SOLIDARITY", in 1978.

On JULY 17 1978, THE FOUNDERS AND TEN OF TAUSENDS OF RANK AND FILE MEMBERS WERE ARRESTED, TORRTURED, SEND TO SPYCHIATRIC HOSPITALS AND FORCED LABOR CAMPS!...

a Professor Dr GERARD LAW BEAR, president of GREAT BRITAIN's COLLEGE OF PSYCHIATRY, reported at HELSINKIAGREEMENT 's signataires meeting of MADRID, SPAIN, on 1980 that: WHEN HE VISITED UNDERGROUND THE FAMILYof VASILE PARASCHIV, one of the founders of THE FREE TRADE UNION OF ROMANIAN WORKERS " S.L.O.M.R" on CHRISTMAS 1980,- he witnessed the family prayang on a table around a jar with same ligtened candels. IN THAT JAR THERE WAS THE ASHES OF VASILE PARASCHIV, BURNED ALIVE BY THE PERSONAL ORDER OF TERRORIST CEAUSESCU WHO SEND SECURITY's OFFICERS TO Mrs.PARASCHIV RESIDENCE WITH THE JAR AND TO FORCE HER TO CALL UP BY PHONE RANK AND FILE MEMBERS OF " THE FREE TRADE UNIO OF ROMANIAN WORKERS" -" S.L.O.M.R"- AND TO TELL THE -ALL THE NIGHT LONG,THAT: " HER HUSBAND WAS BURNED ALIVE BY THE PERSONAL ORDER OF PRESIDENT CEAUSESCU, AS A WARNING TO THE ROMANIAN WORKERS TO SEE WHAT WILL HAPPEN TO ANY OF THEM WHO WILL DO WHAT VASILE PARASCHIV DID AND WHAT THE POLISH SOLIDARITY's MEMBERS ARE DOING RIGHT NOW, IN 1980!

THE STORY ON THIS TERRIBLE CRIME AGAINST HUMANITY OF TERRORIST CEAUSESCU WAS REPORTED BY THE NEWYORK's DAILY NEWSPAPER " THE NEWS WORLD" IN ITS ISSUE OF SUNDAY,DECEMBER 1,1981!...

- NOW, IN 1983, TERRORIST CEAUSESCU ORDERED A NEW WAIWE OF TERROR AGAINST RANK AND FILE MEMBER OF ABOLISHED " FREE TRADE UNION OF ROMANIAN WORKERS"- "S.L.O.M.R"- AND AGAIN, TEN OF TAUSENDS OF THEM WERE ARRESTED BY SECURITY!..

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2.- <ins>FREEDOM OF PRESS AND COMMUNICATION</ins>

THERE IS ONLY A SINGLE KIND OF PRESS IN COMMUNIST ROMANIA: THE COMMUNIST PARTY's ONE!

THERE IS ANY SINGLE NEWSPAPER,REVUE,OR MAGAZINE, THERE IS ANY SINGLE T.V. CHANNEL OR RADIO BROADCASTING STATION, WHICHCRITICISED THE COMMUNIST PARTY's POLICY! THE ENTIRE PRESS AND MASS MEDIA AND COMMUNICATIONS ARE ONLY OF COMMUNIST PARTY!

3.- <ins>FREEDOM OF ARTS AND OF EXPRESSION!</ins>

THE WRITERS, POETS, AND ARTISTS ARE TOTALLY PENDING OF THE COMMUNIST PARTY. NONE OF THEM ARE ALOW TO CREATE ANY SINGLE LITERARY OR ARTISTIC WORK WITHOUT THE STRICT CONTROL OF COMMUNIST PARTY!

-THE CRIMINAL COD PROVIDE TERMS OF POLITICAL JAIL FOR " ANY UNPUBLISHABLE MANUSCRIPT FOUND OUT ON A WRITER OR POET DESK AND FOR ANY WORK OF ART WHICH IS NOT " IN THE SPIRIT OF THE WORKING CLASS AND OF THE FRIENDSHIP AND TOTAL COOPERATION WITH USSR AND COMMUNIST BLOC COUNTRIES!...

THERE IS ANY PRIVATE PUBLISHING HOUSE IN COMMUNIST ROMANIA.

THE UNION OF ROMANIAN WRITERS, THE ONE OF JOURNALISTS AND THE ONE OF ARTISTS ARE UNDER STRICT CONTROL OF " PROPAGANDA AND ART SECTION OF THE CENTRAL COMMITTEE OF THE ROMANIAN COMMUNIST PARTY.

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TERRORIST NICOLAE CEAUSESCU's FUL SUPPORT OF INTERNATIONAL TERRORISM!
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THE NEWS WORLD- a NEW YORK's daily newspaper, in his issue of TUESDAY,JANUARY 18,1983,printed the interview with one of our HUNGER STRIKERS, Mr. GEORGE HIRSOVESCU, of NEW YORK.

Mr. GEORGE HIRSOVESCU was 15 years PILOT IN COMMAND WITH " TAROM" the ROMANIAN INTERNATIONAL MERCHANT AIRLINES.He defected in FRANKFURT,WEST GERMANY on

AUGUST 7,1981. Being granted POLITICAL ASYLUM by THE HIGH COMMISSIONER FOR REFUGEES OF THE U.N. of GENEVA, SWITZERLAND, he came to the USA where he is living now as a PERMANENT RESIDENT.

I am quoting from his interview:

" AFRICAN GUERRILLA RECRUITS WERE INSTRUCTED BY SPECIAL TROOPS OF THE ROMANIAN ARMY IN MILITARY CAMPS IN MIHAI BRAVU NEAR TIRGOVISTE.THE TRAINEES-FROM 18-35 YEARS OLD-DRILLED FOR A PERRIOD OF THREE TO FOUR MONTHS.

" EVERY THREE, FOUR MONTHS ROMANIA SENT TWO AIRPLANES-ANOTHER ONE AND MINE-EACH BRINGING OVER 166 RECRUITS"

" THE FLIGHTS WENT FROM BUCHAREST VIA CAIRO AND KHARTOUM TO LUANDA"

...BESIDES GUERRILLA TRAINING, ROMANIA ALSO INSTRUCTED 18 YEARS OLDS AS FIGHTER PILOTS. THEY RECEIVED THREE YEARS TRAINING AT " THE AUREL VLAICU MILITARY ACADEMY IN THE VILLAGE OF BOBOCU, NEAR BUZAU, UNDER THE LEADERSHIP OF GENERAL MAJ. TATARU."...

"IN 1979, UNDER THE LEADERSHIP OF GEN.MAJ.NICULESCU AUREL, ROMANIA FOUNDED A SIMILAR AIR ACADEMY IN ANGOLA, THREE MILES NORTH WEST OF LUANDA."

..."THERE WERE SOME 100 ROMANIAN INSTRUCTORS IN THIS ACADEMY;APROXIMATIVELY 50 AIRPLANES USED TO TRAIN ANGOLAN FIGHTER PILOTS. HIRSOVESCU LISTED THE TYPES OF AIRPLANES AS I.A.R 826 S, IAR 836 SCZEHOSLOVAKIA'sE.L.29S and SOVIE MIG 15 S andA.N. 24. S

" HE SAID, HE MAID A TOTAL OF 15 FLIGHTS TO TRANSPORT WEAPONS TO AFRICA, THE TOTAL NUMBER OF ROMANIAN FLIGHTS IS IN THE HUNDREDS, HE SAID,WITH EVERY FLIGHT BRINGING OVER 18 TONS OF WEAPONS"

" HE REMEMBERED HAVING FLOWN WEAPONS TO BENGAZI, IN LIBBIA,BUJUVBURA IN BURUNDI, ADDIS ABABA IN ETHIOPIA, SALAN IN NORTH YEVEN, LUANDA IN ANGOLA AND BANGUI IN THE CENTRAL AFRICAN REPUBLIC."....

- WHAT I HAVE TO POINT OUT, HONORABLE CONGRESSMEN THERE IS THE FACT THAT THE HUNGER STRIKER GEORGE HIRSOVESCU BROUGHT WITH HIM IN THE FREE WORLD THE SUBSTANTIAL PROOF OF HIS TESTIMONY: THE FLIGHT BOOK OF HIS AIRPLANE WITH WHICH HE DEFECTED IN WEST GERMANY ONE YEARS AGO. AND THIS " FLIGHT BOOK" HAS THE SEALS AND SIGNATURES OF ANY FOREIGN AIRPORT WHERE HE LANDED AND MORE THAN THAT: THE SIGNATURES OF THOSE GUERRILLAS WHO RECEIVED THIS TONS OF WEAPONS AND AMMUNITIONS SENT TO THEM BY TERRORIST NICOLAE CEAUSESCU, WEAPONS AND AMMUNITION WITH WHICH THEY, THE COMMUNIST GUERILLAS, KILLED AND STILL AR KILLING INNOCENT VICTIMS:KIDS, WOMEN,SENIOR CITIZENS ,ALL OVER THE WORLD.IN THE NAME OF COMMUNISM VICTORY OVER THE FREE ENTREPRISE s COUNTRIES!...

- " THE NEW YORK TRIBUNE" newspaper of WEDNESDAY, JUNE 1,1983, printed other interview of GEORGE HIRSOVESCU AND OF OTHER FORMER PILOT IN COMMAND FOR 15 YEARS WITH ROMANIAN STATE AIRLINE " TAROM"- Mr.GEORGE SORESCU OF NEW YORK AN OF HIS WIFE, A FORMER FLIGHT ATTENDANT WITH " TAROM, TOO, WHO DEFECTED IN WEST GERMANY IN 1982, too.

I AM QUOTING FROM:

"ROMANIAN COMMUNISTS USE DRUGS TO FORCE DEFECTORS TO RETURN"

" Starting 1979 ROMANIAN EMBASSY PERSONNEL BROUGHT DRUGGED PEOPLE TO MY PLAN TO BE FLOWN BACK TO ROMANIA FROM PARIS AND ROME, THEY WERE BROUGHT ONE OR TW AT A TIME, FIVE OR SIX TIMES A YEAR" HIRSOVESCU SAID"

".... A SMALL CAR APPROACHED A T U-154, THE AIRPLANE OF PILOT GEORGE HIRSOVE CU, SOME HOURS BEFORE ITS SCHEDULED TAKEOFF FROM AN AIRFIELD IN ROME.THE CAR BEARING DIPLOMATIC LICENSE PLATES, STOPPED NEAR THE PLANE; THE DRIVER AND A PASSENGER PULLED AN ALLMOST UNCONSCIOUS MAN OUT OF THE CAR AND DRAGGED HIM OVER THE PLANE, THEY EACH HELPED HIM " WALK" BY PULLING ONE OF HIS ARM OVER THEIR SHOULDER, SUPPORTING HIS WEIGHT"

..."MANY TIMES I HAVE TRANSPORTED DRUGGED PEOPLE. THEY ARE BROUGHT TO THE PLANE IN A DIPLOMATIC CAR, SAID HIRSOVESCU"...

..." GEORGE SORESCU. ANOTHER ROMANIAN PILOT-DEFECTOR,SAID HE HAD FLOWN DRUGGED PEOPLE BACK TO ROMANIA 11 TIMES, STARTING 1978.HE FLEW SUCH" CARGO" SIX TIMES FROM LIBYA, THREE TIMES FROM DAMASCUS, ONE TIME FROM BRUSSELS; AND ONE TIME FROM CAIRO"

..." Mrs SORESCU SAID SHE RECALLED DRUGGED PEOPLE BEING BROUGHT ABOARD IN VIENNA AND ZURICH"...

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TERRORIST NICOLAE CEAUSESCU's CRIMES IN THE U.S.A.!

FOR WHAT THE FORMER PILOT IN COMMAND WITH ROMANIAN STATE's INTERNATIONAL AIRLINE " TAROM" SAID TO NEW YORKER REPORTERS, OF CAUSE THAT TERRORIST NICOLAE CEAUSESCU ORDERED HIM DEAD!"
...AND IN THE DAY OF SATURDAY, MARCH 12,1983, in NEW YORK CITY, A HITMAN CALLED " KENT" ATTACQUED GEORGE HIRSOVESCU TRYING TO KILL HIM. BY HAZARD, TWO TAXI DRIVERS, SAW WHAT HAPPENED, PAGED THE POLICE BY THEIR RADIO CAR, AND... THE HITMAN WAS ARRESTED,...
THERE WAS A GRAND JURY AND THE CRIMINAL PROCEEDINGS AGAINST " THE WOULD BE GEORGE HIRSOVESCU's ASSASSIN" ARE GOING ON!...
TERRORIST NICOLAE CEAUSESCU's WHICH TO HAVE PILOT GEORGE HIRSOVESCU KILLED, WAS NOT ACCOMPLISHED!...
...BECAUSE MYSELF, I ADVISED PILOT GEORGE HIRSOVESCU TO SUBMIT HIS PROVES OF TERRORIST CEAUSESCU AND OF HIS COMMUNIST GOVERNMENT FUL SUPPORT OF INTERNATIONAL TERRORISM TO AMERICAN NATIONAL PRESS AND MASS MEDIA,-OF COURSE THAT TERRORIST CEAUSESCU WANTED ME KILLED TOO!
...ONE WEEK ONLY AFTER THE HITMAN TRIED TO KILL PILOT GEORGE HIRSOVESCU, AN ALLEGED OFFICER WITH ROMANIAN SECURITY'S DISINFORMATION SECTION"- THE ONE SPYNETWORK WHO HAS THE MISSION TO KILL POLITICAL REFUGEES AND TO REPORT ABOUT DIRECTELY TO " THE KGB" RESIDENT,-THE ONE WHO BOSYING IN REFUGEE INFILTRATED ONE CONSERVATIVE REPUBLICAN CLUB AND THE DEMOCRATIC ONE-LUCIAN ORASEL of NEW YORK, - TRIED TO KILL ME, EVEN IN OUR SAINT DUMITRU ROMANIAN ORTHODOX CHURCH OF THE ROMANIAN ANTI-COMMUNIST EXILE AT 50 WEST, 86 th ST ,IN NEW YORK DURING THE SUNDAY RELIGIOUS SERVICE IN THE DAY OF SUNDAY, MARCH 20,1983!
- I DEFENDED MYSELF, I CALLED THE DISTRICT ATTORNEY OFFICE AND THE POLICE AND THE CRIMINAL PROCEEDINGS AGAINST RUSSSIAN SPY AND HITMAN LUCIAN ORASEL ARE GOING ON IN CRIMINAL COURT OF NEW YORK!

HONORABLE Mr. CHAIRMAN, HONORABLE CONGRESSMEN, MEMBERS OF THE COMMITTEE,

"I HAVE TO POINT OUT, FOR THE TERRORISTS RUSSIAN SPIES AND HITMEN, HERE IN THIS CONGRESSIONAL HEARING's ROOM,- THE ONES UNDER SO CALLED " DIPLOMATIC COVER" -I MEAN THE ROMANIAN OFFICIALS FROM ROMANIAN EMBASSY AND.THEIR UNDERCOVER SECRET AGENTS,- TO REPORT TO THEIR BOSS, THE SOVIET RUSSIA's " KGB" LOCAL RESIDENT AND TO TERRORIST NICOLAE CEAUSESCU, THAT, OVER HERE THERE IS THE UNITED STATES OF AMERICA AND ANY CRIMINAL ATTEMPT AGAINST FREEDOM FIGHTERS WILL FAIL".
BEACUSE IN THIS COUNTRY BLESSED BY GOD TO BE THE ONLY HOPE OF THE FREE WORLD, GOD IS DEFENDING THOSE WHO ARE FIGHTYING FOR HUMAN RIGHTS AND FOR JUSTICE! AND THE AMERICAN JUSTICE WILL BE ENFORCED TO ANY CRIMINAL AND RUSSIAN SPY IN THIS COUNTRY. NO MATTER ON WHICH UMBRELLA OR COVER IS WORKING!

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FOR ALL THE ABOVE REPORTED VIOLATIONS OF HUMAN RIGHTS AND CRIMES AGAINST HUMANITY PERPETRATED BY TERRORIST NICOLAE CEAUSESCU AND HIS COMMUNIST GOVERNMENT, AND FOR THE SUBSTANTIAL PROVED SUPPORT OF INTERNATIONAL TERRORISM OF ROMANIAN OFFICIALS- DIRTY RUSSIAN SPIES AND HITMEN,
-IN THE NAME OF HUNGER STRIKERS, I AM ASKING THAT THE US CONGRESS DO NOT GRANT ANYMORE"THE MOST FAVORED NATION's CLAUSE " STATUS TO TERRORIST CEAUSESCU AND HIS COMMUNIST GOVERNMENT, TILL " THE TEN POINTS OF HUNGER STRIKERS"WILL BE ENTIRELY ACCOMPLISHED!"
TERRORIST NICOLAE CEAUSESCU AND HIS COMMUNIST GOVERNMENT,DIRTY RUSSIAN SPIES AND HITMEN, SUPPORTERS OF INTERNATIONAL TERRORISM, DO NOT DESERVE TO BE GRANTED " THE M.F.N"- BUT TO BE PUT ON TRIAL FOR CRIMES AGAINST HUMANITY ON AN INTERNATIONAL COURT ! AS SOON AS POSSIBLE!"

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- IN MY NAVE AND IN THE NAME OF HUNGER STRIKERS, I AM ASKING THAT, THE U.S. CONGRESS TO STOP ANY KIND OF COOPERATION WITH TERRORIST NICOLAE CEAUSESCU AND HIS COMMUNIST GOVERNMENT!
- I AM ASKING THAT TAROM's AIRPLANES TO BE FORBIDED TO LAND AND TO FLY OVER THE USA TERRITORY!
- WE DO NOT NEED .THAT WEAPONS AND AMMUNITIONS TO BE FLYGHT BY AND OVER USA TERRITORY MAYBE TO THE BACK YARD OF OUR BORDER-IN BEHALF OF COMMUNIST GUERRIJJAS- AS THEY USE TO DO FOR YEARS AND YEARS, PROVED ABOUT BY NOT THREE HUMAN BEINGS WHO WITNESSED THAT, BUT BY THREE HUMAN BEINGS WHO DID THAT, BEING FORCED TO, AND FINALLY WHIT THE FIRST OCCASSION, UNVEILED THE CRIMES TO AMERICAN NATIONAL PRESS AND MASS VEDIA.

THE TESTIMONIES OF FORMER PILOTS IN COMMAND WITH ROMANIAN AIRLINE "TAROM". GEORGE HIRSOVESCU AND GEORGE SORESCU AND THE ONE OF Mrs SORESCU- FLIGHT ATTENDANT WITH " TAROM " TOO, BEING AIRED ALL OVER IN THE FREE WORLD BY RADIO STATIONS, BY T.V, AND PRINTED ON NATIONAL AND INTERNATIONAL PRESS AND MASS MEDIA,AS A WARNED TO THE PEACE OF WORLD ENDANGERED BY THE ACTIONS OF COMMUNIST GUERRILLAS ARMED AND INSTRUCTED AND SUPPLIED WITH WEAPONS AND AMMUNITIONS BY TERRORIST PRESIDENT NICOLAE CEAUSESCU OF COMMUNSIT ROMANIA, -ARE THE MOST SUBSTANTIAL PROVES OF THE CRIMES AGAINST HUMANITY OF THE TERRORIST PRESIDENT CEAUSESCU AND HIS COMMUNIST GOVERNMENT!

HONORABLE Mr CHAIRMAN,
HONORABLE CONGRESSMEN, MEMBERS OF THE COMMITTE,

DO YOU HAVE TO THINK TO ALL THOSE INNOCENT PEOPLE, KIDS, WOVEN, SENIOR CITIZEN KILLED ALL OVER THE WORLD BY THE WEAPONS AND AMMUNITIONS SUPPLIED BY TERRORIST CEAUSESCU TO COMMUNIST TERRORISTS GUERRILLAS!

DO YOU HAVE TO STOP ONCE FOR EVER THE CRIMINAL HAND OF TERRORIST CEAUSESCU, WITH DETERMINATION, THAT COMMUNIST GUERRILLAS ARMED BY HIM TO DO NOT KILL [illegible] AND DO YOU HAVE TO DO THAT, BY STOPYING AT PLACE AND ONCE FOR EVER " THE MOST FAVORED NATION's CLAUSE" STATUS FOR TERRORIST CEAUSESCU AND HIS COMMUNSIT GOVERNMENT!

- DO IT NOW!
- FOR THE SAKE OF GOD!
- AND GOD WILL BLESS YOU FOR WHAT YOU ARE DOING. RIGHT NOW!
- DOWN TERRORISM!
- DOWN COVVUNISM!
- LONG LIVE TO FREEDOM!
- GOD BLESE AVERICA!

DG Apostoliu
Dr DIMITRIE G. APOSTOLIU
Writer with PEN NAME: COSTIN JUREA
16 years POLITICAL PRISONER in ROMANIAN
COMMUNIST JAILS and into THE FORCED LABOR
CAMP " THE CANAL DANUBE-BLACK SEA"
President of THE AMERICAN-ROMANIAN
NATIONAL COMMITTEE FOR HUMAN RIGHTS,

[Newspaper articles accompanying this statement have been retained in the subcommittee files.]

STATEMENT OF GHERGHINA ARDELEAN, LAUREL, MD.

HONORABLE SIR

I am GHERGHINA ARDELEAN (maiden name TOMA) Romanian born and arrived in the U.S.A. on July 21 1978, to reunited with my husband MIRCEA ARDELEAN who joined the Romanian hunger strike and succeded to force the Romanian Government to set me free.

When I succeded to left for ever Communist Romania, I was forced to live behind as hostages ;

1. MARIN TOMA - BROTHER
2. Cornelia Toma - his wife

of Bdul. Pacii #94 , Bloc 19, Sc 3 , Apt 107,
BUCHAREST , ROMANIA.

In Aug. 1979 my husband joined the U.S.Army and right now he is station at WALTER REED ARMY MEDICAL CENTER as Sp/ 5 ,and works in Nuclear Medicine Clinic .

Since my husband joined the U.S.Army my brother and his wife became subject of secutity's harasment. My brother who was in Romanian Bycicle's Team was expelled for ever from sportive life and sent to work as simple worker. His wife Cornelia was fired from her job .

They tried to apply for a passport to join us in U.S.A. an they have been rejected more than 20 times starting 1979.

Romanian Communist Government is trying to give an example to the Romanian community here in U.S.A. , for the people who have in mind to join THE U.S.ARMY , their relatives back in Romania will have to suffer.

Honorable SIR YOU should stop this,Romanian Government Blackmail against the Romanian community in U.S.A. , and please help us to get my brother free from Communist Romania.

LONG LIVE to FREEDOM , GOD BLESS AMERICA

Thank YOU.

ASSOCIATION OF THE FORMER ROMANIAN POLITICAL PRISONERS,
New York, N.Y., July 19, 1983.

Mr. JOHN J. SALMON,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

Mr. PRESIDENT: In behalf of the Association of the Former Romanian Political Prisoners, a non-profit corporation chartered by the State of New York, whose purposes are to defend its political refugees who come to this country to seek refuge from the Communist oppression in their homeland, and to organize a common front for a free and democratic Romania, we are forwarding to you this written statement of facts concerning the further extension of the Most Favored Nation (MFN) trading status granted to the Socialist Republic of Romania on August 3, 1975.

Before any action is taken in this matter, it is our sacred duty to inform you about the excruciating brutalities applied to the political prisoners by the Communist machine after Romania was delivered up to the Soviet invasion.

Even today the crimes and deciets are still committed against the Romanians under the very eyes of the Free World.

The destruction of the individual behind the iron curtain is still unknown by the Free World. There are incredible facts that take place at this moment: moral pressure, physical degradation, hunger, beating and slave labor.

The Communist Government of Romania badly needs outside help to improve its economic quakes and shoulder its burdens and payments in foreign debts. If the Most Favored Nation trading status were a real benefit for the romanians, we would be the first to recommend a further extention of MFN treatment for our country. But for 40 years Romania is economically and militarily tied to the Soviet Union and, at the same time, is one of the least developed countries in Europe. At present the government has instituted measures that increase the food prices. This indicates that the nation's foundations are collapsing.

All sources of power are dictatorially in the hands of President Ceausescu and his collaborators. The Romania's position was demonstrated at the Warsaw Pact Summit meeting of May 1980. Today Romania is the most loyal Soviet ally united by treaty.

In approving extention of MFN treatment, and in consideration of the President's recommendation for the Socialist Republic of Romania, we would like to bring to your attention the following demands for the Romanian victims from behind the iron curtain:

1. The release of the political and religious prisoners from prisons or incarceration among people suffering from mental illness.
2. The suspension of the decree concerning the taxes payment for education by those who for all kind of reasons intend to emigrate or leave the country.
3. The freedom of speech and the people's access to the press.
4. The right of emigrating or traveling (the Jackson Vanik amendment which allows to everybody this right).
5. The years spent by the political prisoners in labor-camps or prisons to be taken into consideration as years of employment.
6. Damages caused to former Romanian political prisoners to be paid accordingly.

Considering America's role as the leader of freedom, we trust that you will pay full attention to our statements and to our legitimate demands in behalf of the Romanian victims who cannot speak from behind the iron curtain, and take a firm stand regarding the Romanian Communist Government, by getting them to pledge our above mentioned requests so vital for the Romanian People.

Please make the necessary representation with the respective authorities. Thank you for your consideration.

ZAHARIA PANA, *President.*
N. CARJA,
EUGENIA ADAMS-MURESANU,
Members.

STATEMENT OF ATALANTA CORP., NEW YORK, N.Y., PRESENTED BY GEORGE G. GELLERT, CHAIRMAN OF THE BOARD

I. INTRODUCTION

Mr. Chairman and Members of the Subcommittee on Trade #31 Committee on Ways and Means:

I am pleased to have this opportunity to submit testimony in favor of continuing for Romania, Hungary and China the President's authority to waive the application of subsection (a) and (b) of section 402 of the Trade Act of 1974 (Public Law 93-618) for an extended period of twelve months. Simply stated, our position, in support of the President, recommends the continuation of Most Favored Nation tariff treatment for Romania, Hungary and China.

Atalanta's recommendation is based upon and agree with President Reagan's determination under section 402(d)(5) of the Trade Act that the extension of the waiver authority will substantially promote the objectives of freedom of emigration in general and, in particular, with respect to these three countries.

II. THE ATALANTA CORPORATION

I would like to briefly provide the Committee with background information regarding Atalanta, which reflects the company's wide experience in East-West trade and which explains its interest in presenting this testimony to the Committee. Atalanta's involvement in East-West trade spans a period of time exceeding thirty years to the benefit of our U.S. economy.

Atalanta is a marketing organization for a broad variety of high quality food items that are imported into the United States from 46 countries. Our company distributes these products throughout the United States. Atalanta's home office is located at 17 Varick Street, New York City, with sales outlets in Allentown, Pa., Atlanta, Ga., Boston, Mass., Chicago, Ill., Cleveland, Ohio, Dallas, Tx., Indianapolis, Ind., Los Angeles, Ca., Miami, Fla., Milwaukee, Wis., Minneapolis, Minn., Orlando, Fla., Philadelphia, Pa., Phoenix, Ariz., Portland, Ore., Raleigh, N.C., San Francisco, Ca. and Springfield, Mass.

Specifically, Atalanta has been importing canned hams and other products of high quality from Romania since 1970. Atalanta's trade has grown with Romania over these years. In 1982, our company imported products totaling $15 million. In addition, Atalanta serves as a member of the United States-Romanian Economic Council which was organized under the auspices of the Chamber of Commerce of the United States and the Socialist Republic of Romania.

Atalanta has also enjoyed a good relationship with Hungary for more than a decade and imports high quality canned hams and pork products, and other food products from that country. In 1982, we also imported $24 million of Hungarian products. Atalanta is a member of the United States-Hungarian Economic Council which was also organized by the Chamber of Commerce.

Since the recent time that China received "MFN" treatment, the Atalanta Corporation has commenced importing food products from that country. Our trade in 1982 with China approximated $3.5 million. We expect a long and mutually rewarding trade relationship with China. We look forward to introducing many interesting Chinese food items to U.S. consumers during the next few years.

Doing business with Romania, Hungary and China has been profitable for Atalanta and, in turn, the United States economy in general. Likewise, it has been profitable for the countries involved which gain dollar earnings that are utilized for the purchase from the United States of manufactured goods and agricultural products. Atalanta is pleased with the warming of relations between the United States and Romania, Hungary and China. We feel that the continuation of Most Favored Nation ("MFN") treatment is essential to a future increase of trade between the United States and each country involved as well as to a better understanding between respective citizens.

III. ECONOMIC INTEREST OF UNITED STATES TO CONTINUE "MFN"

The United States has traditionally experienced, on a cumulative basis, a favorable balance of trade with Romania, Hungary and China. We are advised by United States Government officials that this favorable trade situation will remain and increase should "MFN" be continued.

The following charts, based upon Department of Commerce Statistics, confirms this view:

UNITED STATES EXPORTS TO ROMANIA, HUNGARY AND CHINA 1978–82 [1]

[In thousands of dollars]

Market	1978	1979	1980	1981	1982
Romania	317,423	500,464	720,231	503,890	223,230
Hungary	97,682	77,583	79,020	77,510	67,840
China	818,241	1,716,500	3,748,993	3,598,600	4,618,000
Total	1,233,346	2,294,547	4,548,244	4,180,000	4,909,070

[1] Compiled from official statistics of the U.S. Department of Commerce.

UNITED STATES IMPORTS FROM ROMANIA, HUNGARY AND CHINA 1978–82

[In thousands of dollars]

Market	1978	1979	1980	1981	1982
Romania	344,561	329,051	310,561	560,140	339,120
Hungary	69,153	112,129	107,450	128,550	133,240
China	316,743	548,543	1,058,340	1,895,330	5,610,000
Total	730,457	989,723	1,165,790	2,584,020	6,082,360

IV. POLITICAL BENEFITS

Furthermore, and of paramount importance, the granting of "MFN" and the continuation of this sound policy, has, without question, improved the political relations between our country and Romania, Hungary and China. The same constructive results have been experienced by the United States with respect to Yugoslavia—a country which received "MFN" many years before the three countries which are the subject of your distinguished Committee's attention.

V. CONCLUSION

For the aforementioned reasons, the Atalanta Company sincerely supports and urges that your Committee, and the entire Senate, agree with the President that the continuation of "MFN" for Romania, Hungary and China is in the best economic and political interests of our country.

CLEVELAND, OHIO, July 19, 1983.

Hon. JOHN J. SALMON,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR SIR: The undersigned writes to you as an American citizen of Romanian descent, and as President of the American Romanian Anti-Defamation League, Inc.

I have long been an activist in American Romanian affairs and also wrote a book entitled "Ceausescu of Romania, Champion of Peace."

I made a trip at the end of May, 1983 at the behest of my client, Rev. Fr. Mircea Toderich, Pastor of St. Helena's Byzantine Catholic (Romanian) Church of Cleveland, Ohio, with him, to seek approval for the exit of two priests to come to America, to replace retiring priests here.

In order to accomplish this I had an interview with President Ceausescu which granted the approval. He also indicated that I could get more priests, which means the survival of the Byzantine Catholic Romanian church in America, and therefore the perpetuation of values important to that particular group.

Attached and enclosed are copies of the report which I made to Pope Paul John II when I took the priests from Romania directly to the Vatican so that he could see the two priests with his own eyes. Enclosed are two pictures, one with President Ceausescu and one with the Pope. I played a microcassette tape message from one of the bishops of the oppressed church of Romania, Bishop Ploscaru and a picture was taken of that moment.

You are free to use all or any of the attached message.

Cordially yours.

NICHOLAS A. BUCUR,
Attorney at law.

P.S. Needless to say, I favor extension of MFN for Romania.

[Attachments to this letter have been retained in the subcommittee's files.]

STATEMENT OF MAURICE D. ATKIN, CONSULTANT TO CHILEWICH CORP.

My name is Maurice D. Atkin. I am an economic consultant with Robert R. Nathan Associates. I have represented the Chilewich Corporation in Washington for over 20 years. I am pleased to testify again on behalf of the Chilewich Corporation in support of Most-Favored-Nation Status for Romania. The Chilewich Corporation is a large international trading company. One of its special areas of expertise is in hides and skins. I support the extension of Most-Favored-Nation trade status to Romania based on economic self interest and the defacto suspension of the Romanian education tax.

The Chilewich Corporation exports cattle hides, the raw material for leather. In 1982, the United States exported over 900,000 hides to Romania valued at over $27 million. This is an increase of 38 percent over the number of hides exported in 1981. In 1983, United States cattle hide exports to Romania have been strong, estimated at over $13 million in the first quarter. The share of American cattle hide exports to Romania during the first quarter of 1983 was almost 9 percent of total United States cattle hide exports worldwide.

These exports constitute a significant contribution to the American cattle and beef industries by providing an outlet for a by-product generated in excess of domestic demand. These additional revenues are important to American agriculture and to supporting industries.

The world recession continuing into 1982, impacted severely on Romania's exports from the already depressed levels of 1981. This limited Romania's ability to finance imports.

The overall reduction in Romanian trade is reflected in United States export levels to Romania. Total United States exports to Romania fell to $123 million in 1982, from $504 million in 1981. Generally Romania is our second largest trading partner in Eastern Europe, in terms of exports. United States exports to Romania appear to have ended their decline this year. Total United States exports to Romania for the first four months of 1983 were almost $64 million.

Exports to Romania have the potential for growth. In addition to cattle hides, other significant United States exports to Romania are coal, agricultural products, and fertilizers. There is growth potential, particularly for coal. Romania's current plan for the next ten years indicates an increase in coal use. The United States is well positioned to meet any Romanian requirements for coal imports. Even at current depressed levels, Romania was the nineteenth largest importer of United States bituminous coal in 1982, importing over $6 million of United States coal.

Imports into the United States from Romania are also down in 1982. Imports were $128 million, down from $560 million in 1981. Through April of 1983, the United States imported $117 million of goods from Romania, indicating a higher level of imports on an annual basis. The United States imports a wide range of goods from Romania. Two areas of particular importance are leather shoes (1982 imports of over $35 million) and petroleum and natural gas products (1982 imports of over $20 million). Other Romanian goods shipped to the United States include hams, wine, chemicals, and farm equipment.

The prominence of Romania in the United States Eastern European trading market was spurred by the signing of a United States-Romanian trade agreement in 1975, which accorded Most-Favored-Nation tariff treatment to Romania and facilitated commercial exchanges. Although there have been a series of other economic agreements and protocols with Romania over the past decade, Most-Favored-Nation status for Romania has been a critical ingredient in the United States-Romanian trade picture.

The world is only now emerging from a global recession. As the world's economies begin to grow, trade can be expected to increase between nations. This increase in trade will bring opportunities for United States exports. These exports mean jobs and increased production in agriculture, manufacturing, and energy sectors. Romania is part of this potential export market, and extension of Most-Favored-Nation status to Romania is the foundation on which our trading relationship with Romania is built. The Chilewich Corporation and America's business in general have benefitted from United States-Romanian trade, encouraged by the 1975 Act. The

Chilewich Corporation and United States business stand to continue to benefit from the extension of Most-Favored-Nation status.

In addition to the economic incentives of extending Most-Favored-Nation status, increased trade brings closer ties between Romania and the United States. Recently, the Romanians took an important step to strengthen ties between the United States and Romania. In June, Romanian authorities assured President Reagan that they would not enforce the education tax on emigrants, and would not institute further emigration restrictions. We welcome this show of good faith by the Romanians and feel that this is a further indication that trade ties should continue through Most-Favored-Nation extension.

Thus, in light of the recent lifting of emigration barriers in the form of the education tax, the potential of increased trade with Romania, and the political and economic benefits to United States-Romanian trade, I urge on behalf of the Chilewich Corporation and myself, that you approve President Reagan's recommendation to extend Most-Favored-Nation treatment to Romania.

Statement of Hon. Dante B. Fascell, Chairman, U.S. Commission on Security and Cooperation in Europe

Mr. Chairman, Subcommittee Members, Ladies and Gentlemen, as Chairman of the U.S. Commission on Security and Cooperation in Europe, also known as the Helsinki Commission, I welcome the opportunity once again to submit testimony to the House Subcommittee on Trade regarding humanitarian concerns for Romania and Hungary. As signatories to the Helsinki Final Act, Romania and Hungary have obligated themselves to abide by international human rights standards as they engage other countries in cooperative efforts and trade. The annual congressional hearings to discuss whether the continued facilitation of bilateral trade with these countries serves humanitarian objectives complement both the letter and the spirit of the Helsinki Final Act.

Over the years, the Jackson-Vanik mechanism has been a most effective instrument for demonstrating the abiding U.S. commitment to fundamental human rights and freedoms. It has brought relief to tens of thousands of individuals who have sought to be reunited with their families abroad, to maintain ties with or return to historic homelands or to make new lives in countries where they are free to follow the dictates of conscience and faith without fear of persecution.

I doubt that today we would have been able to make the happy assertion that there are no official emigration cases standing unresolved between the united States and Hungary had both Congress an the Executive Branch not played so active a role thanks to Jackson-Vanik.

It surely provided an important impetus for President Reagan and President Ceausescu to come to their recent understanding on emigration matters. It is indeed significant news that President Ceausescu assured President Reagan that application of the "education tax" requirement of Romania's Decree No. 402 will cease. In the Commission's view, non-application of the "education tax" was a necessary, but is not a sufficient condition for congressional support of the President's recommendation to continue Most-Favored-Nation trading status for Romania in Fiscal Year 1984. The "education tax" decree was the steepest barrier to emigration erected by the Romanian Government since it signed the Helsinki Final Act in 1975 and received MFN for the first time that same year. Congress is acutely aware of the fact that the decree was promulgated less than two months after Romania received continuation of MFN status last September and three short weeks after high-level U.S. and Romanian officials engaged in talks aimed at reducing obstacles to emigration and accelerating the emigration process for Romanian citizens. With this unfortunate history, Congress' position on MFN for Romania this year must depend on deeds, not unproved assurances.

The State Department has informed the Commission that to the best of its knowledge since June 9 no intending emigrant from Romania has had to pay the "education tax". Six short weeks after it was made, it is less easy to discern whether the other assurance—that no economic or procedural barriers to emigration will be created—given to President Reagan by President Ceausescu is being felt in practice. This second assurance is very general, but the Commission has reminded Romanian officials that Helsinki Final Act language on the same subject is abundantly clear and specific. As a Helsinki signatory state, Romania must deal with emigration requests in a positive and humanitarian spirit; must process emigration requests as expeditiously as possible; must permit renewal of requests not granted at reasonably short intervals; must not charge immoderate fees in connection with emigration;

must permit persons who emigrate to bring with them or ship household and personal effects; and, must not modify the rights and obligations of the applicant or members of his family upon the presentation of an emigration request.

Unless an unmistakable pattern of improved emigration practices becomes manifest in Romania, President Ceausescu will in effect have broken his word to President Reagan. The Commission will monitor the situation closely in coming weeks for signs of progress. In keeping with the Presidential understanding, we hope and expect to see the following kinds of improvements: inter alia a cessation of harassment and other forms of officially-condoned intimidation of intending emigrants including job demotions or dismissals, evictions from apartments, expulsions from schools or universities, and confiscation of ID and ration cards. Also, official forms and applications required in connection with emigration ought to be made readily available to all who ask for them. The remaining provisions of Decree 402, which require that approved emigrants must pay in hard currency all medical expenses, taxes and other tariffs paid by foreigners living in Romania and which stipulate that the possessions of said emigrants shall pass into state ownership ought not to be applied. Furthermore, the Romanian Government should no longer cause undue delays or obstruction of the emigration process.

The Commission is guardedly encouraged by some positive steps that Romania has taken. Last year, the Commission and a number of other witnesses before the Subcommittee expressed dissatisfaction that in the restrictive context of Romania's laws and regulations and of its prohibitive emigration practices, emigration performance traditionally has been cyclical—poor in the off-months and significantly better in the months just prior to and during the annual MFN review. This implied a certain cynicism rather than a positive and humanitarian concern on the part of the Romanian Government. After last year's MFN review, however, monthly emigration levels to the United States, Israel and the Federal Republic of Germany were sustained at levels permitting record end-year 1982 totals for the United States and the Federal Republic and a slight but significant reversal in the steady decline in Jewish emigration to Israel seen since the early 1970s. This trend has continued into the first six months of 1983.

But, figures alone do not give an accurate emigration picture. Behind virtually every one of these departures were months and often years of harassment and procedural and economic obstacles, quite apart from the "education tax". The Commission has notified the Romanian Government that resolution of longstanding emigration cases which enjoy congressional and State Department backing remain a priority to us. Their speedy resolution would be a clear indication that the new presidential understanding is being translated into practice.

Romania's continuing violation and inadequate protection of civil and political, religious and minority rights set forth in the Helsinki Final Act provide a bleak backdrop to the emigration issue. The Fourteenth Semiannual Report by the President to the Commission, covering the period December 1, 1982 to May 31, 1983 describes "repressive policies on human rights matters", citing "extensive harassment in Romania of religious, political and cultural dissidents" particularly "active persecution of individual Protestants and dissident Orthodox priests" and "the beating and harassment of ethnic Hungarian dissidents". The Commission repeatedly has appealed to the Romanian Government on behalf of prisoners of conscience, among them Father Gheorghe Calciu-Dumitreasa. His health remains a serious concern to us, as does the fate of workers' rights activist Carmen Popescu. We are no less concerned about recent indications that the Hungarian Government has taken restrictive measures against intellectuals engaged in unofficial publishing.

If Romania and Hungary truly seek the development of good bilateral relations with the United States, they must understand that international cooperation and trust cannot exist without respect for human rights. That is the essence of the Helsinki Final Act, and such is the principle behind the hearings today.

THE COCA-COLA CO.
Atlanta, Ga., July 21, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
House of Representatives, Washington, D.C.

DEAR MR. GIBBONS: As you are considering the extension of the President's waiver authority under Section 402 of the 1974 Trade Act, I would like to express my support for continuing the Most Favored Nation Tariff Treatment for Romania and Hungary.

In 1982, the United States had a total trade deficit of approximately $31 billion. This figure indicates how important it is, now more than ever, for the United States to consider expanding international trade as a national economic priority to strive to achieve a positive trade balance and to create more jobs for Americans. Denial of fair tariff practices at this time would adversely impact the climate in which international trade can grow.

We must strive even harder in the future to reduce trade barriers. Our economy, and consequently all Americans, will only benefit from the United States being in a better competitive position. It is my belief that continuing fair trade practices with our bilateral trading partners will further benefit our trade with these countries and be in our country's best interests.

I appreciate your continuing efforts to monitor these trade agreements to insure that our country's best interests are served.

Sincerely,

DONALD R. KEOUGH.

THE COCA-COLA CO.
Atlanta, Ga., July 21, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
House of Representatives, Washington, D.C.

DEAR MR. GIBBONS: As you are considering the extension of the President's waiver authority under Section 402 of the 1974 Trade Act, I would like to express my support for continuing the Most Favored Nation Tariff Treatment for the People's Republic of China. I would further recommend that the President's waiver authority with respect to China be extended on a multi-year basis, rather than annual renewal. This would create a climate more conducive to expanding economic relations between our two countries.

The Coca-Cola Company has been selling Coca-Cola to China since 1979 and early in 1981 the first bottling plant was opened in Beijing. A second plant opened this year in Canton. The U.S.-China Trade agreement provides a necessary structure for the kind of expansion of trade with China that will serve to benefit not only my Company but the economic and political interests of the U.S. as well. The U.S. enjoys an overall positive balance of trade with China of more than $2 billion, and it is continuing to increase. As China develops its oil resources, Sino-American relations will be enhanced by a continuation of a trade agreement that will enable U.S. companies to participate in this development.

China has met the requirements as specified in the regulations of the 1974 Act. It is my strong belief that the continuation of fair trade practices would be in our country's own best interests and contribute to the improvement of U.S.-China relations.

I appreciate your continuing efforts to monitor these trade agreements to insure that our country's best interests are served.

Sincerely,

DONALD R. KEOUGH.

STATEMENT OF LOUIS L. LOTE, PRESIDENT, COMMITTEE OF TRANSYLVANIA, INC.

In the period since the last renewal of the most-favored-nation status to Romania, the government of that country has demonstrated a highly objectionable conduct vis-a-vis our government and in violating human rights of national minorities. On both counts Romania is guilty on my and many others' opinion.

1. ROMANIA VIOLATED THE PROVISIONS OF THE TRADE ACT OF 1974 AS COMPLEMENTED BY THE JACKSON-VANIK AMENDMENT

In November of the last year President Ceausescu issued a decree for an "education tax" to be imposed upon prospective emigrants, amounting to $4,000 to $40,000 a person. (To my knowledge he did it against the recommendation of his foreign minister, Stefan Andrei who then just a short time before reassured our government that the tax decree will not be forthcoming.)

In the early days of March 1983, following the letter and spirit of the Trade Act, President Reagan suspended Romanis'a most-favored-nation status beginning with June 30 of this year, unless Mr. Ceausescu rescinds the tax decree. In approaching the June 30 dead line Mr. Ceausescu, in turn, revoked the decree and President Reagan, in his letter to the Congress (June 3) recommended that the waiver authority be extended for a further 12-month period and that waivers applicable to Romania will substantially promote the objectives of section 402 of the Trade Act. The circle so completed, Romania managed to come out as victor, as she greatly improved her chances for the renewal of the favorable tariff rate.

As background to the Rumanian tax maneuver it is remarkable how deftly Mr. Ceausescu turned an unfavorable relation with the United States, the possible loss of the MFN status in 1983 into a safer and more certain chance for the renewal of the favorable tariff rate, and, with the same stroke, he contempted the United States Government, the Congress, the Department of State, and even the White House.

Mr. Ceausescu must have felt threatened by two factors: the more important one was the presidential "Recommendation for Extension of the Waiver Authority" transmitted to Congress by President Reagan's letter from June 2, 1982, and less significantly the growing influence of Hungarian-Americans as the Romanian head of state may have perceived it.

In his recommendation President Reagan clearly includes a threat to Romania as he writes: "I intend to inform the Romanian government that unless a noticeable improvement in its emigration procedures takes place and the rate of Jewish emigration to Israel increases significantly, Romania' MFN renewal for 1983 will be in serious jeopardy."

The House hearing of last year showed a stronger than ever support to the oppressed Hungarian population of Transylvania. (See Appendix no. 1.)

A compliant on Hungarian-American influence was expressed to me personally by a high ranking Romanian official in Washington.

A Staff Report prepared for the Committee on Foreign Relations, United States Senate, issued in April 1983 states clearly that "the Romanian government is increasingly sensitive to the international concerns over the treatment of the ethnic Hungarian minority, and may be seeking ways to improve its public image problem in this regard."

Under these circumstances President Ceausescu must have wished to prevent suspension and avoid embarrassment by voluntarily renouncing the MFN status (and yet enjoy the advantage of heavy money receipts from would be emigrants).

To summarize the Rumanian tax adventure:

November 1982: Rumania violates the law on ground of which she was granted the preferential MFN trade status.

March 1983: President Reagan suspends Rumanian MFN, obliged to do so by the provisions of the 1974 Trade Act.

May 1983: Rumania revokes the illegal tax decree.

June 1983: President Reagan directs Congress to renew Rumania's MFN for 1983.

As a result of violating the U.S. law which was brought to Rumania's advantage, Rumania became awarded with the extension of the benefits of the law which Rumania had violated.

Notwithstanding the rescission of the education tax, reports by Rumanian citizens indicate a brand new rip-off scheme of Bucharest. This new program requires that prospective emigrants who bought home or condominium financed by the state, are asked to pay the full purchase price before their departure is granted. Emigrants loose their homes, condominiums to the state when they leave Rumania. People having very little equity in their real estate, are thus forced to pay huge amounts of money for the balance of their debts only to loose their just paid up property to the state without any reimbursement.

I recommend that our Government demand to stop this practice which in many cases actually means the reestablishment of the emigrant tax under another title. In essence this new Rumanian practice amounts to another contempt of out Government.

2. WITH REGARD TO THE NON-RUMANIAN NATIONALITIES OF RUMANIA AND AMONG THEM PARTICULARLY THE LARGEST, 2.5 MILLION STRONG HUNGARIANS, ATROCITIES AND MISTREATMENT CONTINUED THROUGHOUT THE PAST 12 MONTHS

Some of the most outrageous events having come to our attention are these:

(a) A book was written by a Rumanian novelist, friend of President Ceausescu, called Ion Lancranjan, and published by the Sport & Tourism Department of the Government in Bucharest in 50,000 copies, entitled Cuvint despre Transilvania (A Word about Transylvania). The book's concluding essay is a poetic treatise glorifying the Rumanian character of Transylvania coupled with a not-so-poetic but rather slanderous attack and agitation against the Hungarian population of Transylvania. It was rapturously received by Rumanians and outraged by Transylvanian Hungarians. At least this last essay of the book violates the Rumanian Constitution which spells out that nationalistic agitation is a crime punishable by jail terms. But apparently it is not a crime if Rumanians agitate against Hungarians. Ironically, a high ranking Rumanian official attempted to turn this obvious intention of the Lancranjan book into a virtue of the Rumanian government which—said this Rumanian—does not practice any censorship (sicc!) so the book could be published. But wait until an anti-Rumanian book could be published in Rumania by Hungarians. Such a theoretic case would be considered as nationalistic agitation, violation of the constitution, crime against the state; arrest, police brutality, tortures, heavy jail term would be the consequences. (See Appendix No. 2.)

(b) In Rumania, as it is generally known, the press is the exclusive mouth-piece of the communist party and the government. To write the real truth thus can be done clandestinely only. A Hungarian-language underground (samizdat) journal entitled "Ellenpontok" ("Counterpoints") started to apepar since the latter part of 1981 in Transylvania. It took a year until the Rumanian security forces identified the names of the editorial staff and acted upon their finding by arresting them for the non-violent exercise of their right to freedom of expression.

Geza Szocs, editor in chief, aged 29, a writer and poet from Kolozsvar (Cluj), was arrested last November together with some ten other Hungarians from Koloozsvar (Cluj) and Nagyvarad (Oradea). Among those arrested were Attila Kertesz, Attila Ara-Kovacs, Karoly Toth and his wife. Mistreated and beaten up by the police they suffered the usual Rumanian treatment of illegal arrest, torture and cruelty. In and out of prison and house arrest, Geza Szocs had to spend time in mental institute, another Rumanian regular feature. While Ara-Kovacs allegedly managed to resettle in Hungary, Geza Szocs and his partners still cannot be located reliably.

These arrests were reported by Amnesty International and other international organizations. However, there is at least one Transylvanian public figure who has no knowledge either about the persons, or their arrest. This is Rev. Nagy, the Hungarian Reformed Bishop who—according to the U.S. Senate staff report from April 1983—"claimed not the have heard of any round up and further claimed never to have heard of the poet" (Geza Szocs). The Rumanian Foreign Ministry, somewhat "more liberally" has not ignored the existence of Geza Szocs, only conveniently "denied that Geza Szocs was taken into custody and stated flatly that he is a free man".

The staff delegation noted that the Bishop apparently been briefed on the particular questions of interest to the staff delegation prior to his meeting. "The discussion with the Bishop showed that he had coordinated closely his statement with those of the Foreign Ministry"—writes the staff report. Based only this particular indoctrination one does not have to have very vivid imagination to develop a very skeptical view on the truth-value of Rumanian official statements in any case where the real truth would be embarrassing to the prestige of the Ceausescu regime.

(c) With the title "The Truth About the National Question in Rumania," a 76-page pamphlet was published by Agerpres in Bucharest, in 1982. We got hold of a copy a couple of months ago. The text states among others that "the possibility of the nationalities to be taught in their own languages constantly developed in step with progress made by the Rumanian school in the past decades". In contrast to this well sounding but misleading statement the fact—based on previous Rumanian statistical data—is that the Hungarian schooling had been in a consistent decline in the last 20 years.

(d) Transylvanian Hungarians have never before expressed their grievances and their solution thereof so clearly as in the last year. Their Memorandum of September 1982 and their Proposal to solve the problems were addressed to the participants of the Madrid Conference "examining the adherence to the Helsinki Agreements". The original Hungarian test is included in the 8th issue of the "Ellenpontok" ("Counterpoints"). These documents charge that the Hungarian language school system is gradually being destroyed, additional obstacles are being created to hinder the publication of Hungarian books and periodicals, the Hungarian language is being forced out of public life entirely, and vigorous efforts are being made to prevent contact between ethnic Hungarians in Transylvania and Hungarians elsewhere. The authors of the document request the Madrid Conferees to take steps to grant the ethnic Hungarians the right to regard themselves as bound to the entire Hungarian people, the right to preserve their ethnic identify and values, and the right to establish an independent organization to protect ethnic interests. For the full text of the Memorandum and the Proposal see Appendices Nos. 3 and 4.

In conclusion I would like to emphasize these points:

Hungarian-Americans are grateful to our Government (including the House of Representatives, the Senate and the Department of State) for expressing interest in the plight of Transylvanian Hungarians by conducting dialogues with Rumanian officials and sending fact finding groups to Rumania.

However, we feel, as the facts show, that these measures of interest proved inadequate to persuade the Rumanian government that the time is here to change their course in treatment of Hungarians. On the contrary, it is not impossible that discussions with American officials may be used by the Rumanians as a propaganda vehicle and as an opportuntiy to deftly deny all the charges for mistreatments and cultural deprivation of Hungarians, as well as promoting the idea of the Rumanian "magnanimous" attitude of giving Hungarians all the benefits they want to have.

We are convinced that only force or the prospects of force could influence the Ceausescu regime, as it could influence any other dictatorial government. The leverage of the Trade Act of 1974 ought to be used in a direct manner on behalf of the oppressed Transylvanian Hungarians, as it has been used steadily for maintaining an acceptable flow of emigration.

It seems that Rumanians are developing an increasing, however, unofficial fear that Transylvania is not safely in their hands and some time in the future it would be returned to Hungary, its original mother country for more than a thousand years. They attribute an exagerated degree of Hungarian influence upon their "influential American friends" as well as to the "friendship" between the Kadar regime and the Kreml. To prevent the eventual loss of Transylvania, Rumanians seem to find accelerated de-nationalization process necessary so that when their fear would become a realistic historical turn, only few remnants of Hungarians will have survived.

Another reason for Rumanian fear might well be the bad economic situation, the much lower standard of living, and a more striking lack of freedom in Rumania as compared to Hungary. It is now entirely possible that not only Hungarians but also Rumanians suffer under the provision of the Trianon peace treaty which placed millions of Transylvanians under Rumanian rule.

Committee of Transylvania, Inc.

Appendix no. 1.

RUMANIA'S MFN STATUS UNDER ATTACK

The congressional hearings on Rumania's favorable tariff rate were enhanced this year by the participation of members of Congress, as witnesses, and a former governor of Pennsylvania who all spoke out against Rumania. Their reasoning included the difficulties of emigration from Rumania, violations of religious freedom and oppression of Hungarians in Rumania.

Representative Larry McDonald (Ga.) introduced a Resolution against the renewal of the Rumanian MFN. In his testimony he stated on the witness stand that "in addition to the problem of emigration, there is also the problem of internal repression which goes on day and night against Christians and Jews in Rumania and is also carried out against minorities in Rumania, especially her Hungarian minorities. In this connection it is worth noting that two State legislatures Georgia and Kentucky, passed resolutions in opposition to renewal of MFN status for Rumania. If this subcommittee (Subcommittee on Trade. Ed.) goes against the wishes of the President in this matter, there is grassroots support for you out there in the countryside. Just in May of this year, a leading Rumanian dissident disappeared in Paris and is thought to have been murdered by Ceausescu's secret police for criticism of the regime. President Mitterand may cancel a forthcoming visit to Rumania as a result." (He did. Instead, he went to Hungary. Ed.)

Representative Robert K. Dornan (California) also introduced a resolution against the renewal. In his statement he stressed among others that "the record shows that Rumania has continued its campaigns of persecution of religious groups, especially Jews and evangelical Christians, of minorities, particularly its Hungarian population, and, in fact, of anyone at all who tries to escape Rumanian Communist totalitarianism." "Under the rule of Rumania's current dictator, that nation's minority population, including, 2 ½ million Hungarians, has been the target of an aggressive campaign of forceful assimilation."

After pointing out the "precipitous drop" of Rumanian emigration to Israel, the religious persecution of Christians in Rumania representative Tom Lantos (California) emphasized that "nor can we feign blindness at the educational and cultural deprivation suffered by the Hungarian minority in Rumania. The huge reduction of educational facilities for Hungarians at all student levels, the decline in the numbers of teachers and students and the total elimination of Hungarian professional associations forces us to recognize these gross inequities." "I had a lengthy automobile journey through Transylvania a few years ago" — Mr. Lantos went on — "and I had the opportunity to talk to large numbers of Hungarians of all social classes. I wish to confirm to you from personal firsthand experience that the cultural suppression of the Hungarian minority is a reality in Rumania which must come to an end... I recommend that MFN status for Rumania be renewed; but only after concrete assurances of real progress in the areas of emigration and basic human rights are given."

On the question posed by Representative Schulze, a member of the Subcommittee on Trade in charge of the hearing, wether this type of persecution is going on in other Eastern European nations, Mr. Lantos answered as follows: "Well, there is no place, with the exception of the Soviet Union, where the ethnic problem would be as quantitatively as in the case of Rumania. Transylvania has a tradition going back 1000 years. This (the Hungarian. Ed.) is a major, dominant group historically in the area.

I am inclined to say, Mr. Chairman, members of the committee, that in many ways, Transylvania within the Hungarian context occupies something analogous to New England in the United States, or perhaps I should say the 13 colonies. I mean, this in many ways was the core and the finest and the most enduring segment of Hungarian society.

As a matter of fact, during the century and a half of Turkish occupation of what is Hungary, the central part of Hungary was under Turkish domination and the western part of Hungary was under Austrian control. But it was in Transylvania that the linguistic, political, ethnic flame was kept alive.

To see really the flower of Hungarian, of the essence of Hungary, discriminated against and put in an inferior position and gradually eliminated is very painful to anyone who has Hungarian blood flowing in his veins.

I simply cannot emphasize enough the system of the character of this cultural discrimination.

The only reason my recommendation is for a 1-year extension is to give the Rumanian Government one final chance to mend its ways. It is a recommendation which I am making with a great deal of reluctance, not a bit of enthusiasm, and hoisting the flag of caution to the Rumanian authorities that they best shape up.

Senators Jesse A. Helms (North Carolina), Steven D. Symms (Idaho) and others also submitted resolution against the renewal of Rumania's MFN status. But the committees in charge in both House have decided not to let the matter come to the respective floors for vote and thus the extension became a routine matter of the congressional procedure.

Hardly six months passed since the hearings, and Rumania has violated its obligations under the terms of the 1974. Trade Act by imposing a heavy "education tax" on prospective emigrants. The outcome of this issue may be the loss of MFN status for Rumania.

SPECIAL REMARKS AND RECOMMENDATIONS

(Excerpts from the statement made by Louis L. Lote president, Committee of Transylvania, Inc. at the congressional hearing held July 13, 1982 by the Subcommittee on Trade, House of Representatives, in Washington, D.C.)

1. Transylvania is a special part of Rumania. That land is the home not only of Rumanians, but also Hungarians (for more than one thousand years) and Saxons (for 800 years). Hungarians and Germans have made Transylvania by their cultural and religious background the easternmost outpost of what we call "Western Culture". Originally, Transylvania had been part of Hungary since forming of that country 1086 years ago, until 1919.

2. We estimate the Hungarian population of Rumania to about 12% of the total. But taking the flat percentage rate is misleading for the Hungarian presence in Rumania because their rate in Transylvania amounts to more than one-third of the total population, in some areas and in many communities a 51 to 100% majority.

3. Transylvania oriented oranizations in our country are grateful to the interest and good will of many Members of the U.S. Congress who repeatedly called the attention of the President and Secretary of State with regard to the self-determination of and cultural genocide against the Hungarians in Rumania. We are very much pleased that the question of Jewish emigration became one of the major considerations in deciding the MFN status for Rumania. We would only like to emphasize that it would contribute greatly to a just governmental philosophy if violations of human and national rights, discrimination because of race, nation, creed, language and culture in Rumania would enjoy a similar degree of consideration.

4. The problem of national minorities is a very complex one. But historical past, size, cultural developement and, above all, the desire to preserve one's national identity are some of the most important factor to be considered. In the case of the 2.5 million Hungarians these factors are very much present. As far as I know, provisions in the Paris peace treaty of 1947 for the protection of national minorities are as little as

nil. For the bad consequences for millions of peoples of that omission the signatory powers are responsible. The United States is one or those powers.

5. A single one-line law could mean a turning point in all national and cultural suppression in Rumania. That would be a law recognizing the Hungarian as a second official language in entire Transylvania.

On a much smaller scale, but with more realistic hope that it could be achieved within the next 12 months, another one-line decree is a top priority of many Hungarian-American Transylvanian leaders. This is to rescind the infamous hotel-decree according to which overnight stay of a foreign visitor in the homes of friends and relatives (except parents and children) is forbidden under heavy fines. This decree, at present, cuts off visitations of Hungarians to Hungarians in Transylvania as few of them can afford a hotel if there is any in a reasonable distance and almost any Hungarians in Hungary have relatives or friends in Transylvania.

6. I strongly believe that the Transylvanian Hungarian question should be subject of not only testimonies at a hearing but discussions on a person-to-person basis with competent governmental organ. With this sought in my mind I respectfully recommend establishment of regularly sheduled meetings of a group of most activ e Transylvanian American leaders with select members of the Subcommittee once or twice a year. These meetings would make possible some follow up communications and could bring the Transylvania problem which seems to float in a vacuum in conjunction with the Subcommittee, down to the earth of realities and eventual solutions, or at least slow but stead improvements might be forthcoming.

Hoping for a favorable reaction to this proposal, I conclude my statement and again thank for the opportunity.

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REPORT
OF THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

HUMAN RIGHTS (EXCERPTS)

INTRODUCTION

"Respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief" represents the heart of Final Act promises on human rights. Signatory states are pledged to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms... without distinction as to race, sex language or religion".

Not only are Helsinki states expected to respect this broad range of rights, but, in Principle VII they also ascribe to the notion that all these rights "derive from the inherent dignity of the human person". Thus, Principle VII explicitly recognizes that it is the individual and not the state which is the final arbiter and primary source, of all basic human rights. Principle VII also provides rather specific guidelines on such important problems as the rights of religious believers and the status of ethnic minorities.

Principle VII also commits Helsinki signatories to "confirm" the right of the individual to know and act upon his rights and duties in this field" (of human rights), thereby providing specific authority for private individuals and groups such as the Helsinki Monitors to evaluate the actions of their governments in fulfilling the provisions of the Final Act.

At the same time, Principle VII has become an international code of conduct to which all CSCE states are obliged to adhere. Under this code they are also obliged to assure the observance of the other states. No country has a perfect record, but a willingness to admit shortcomings and take corrective actions are essential first steps which all participating states are bound to take to fulfill their Helsinki commitments. The failure of the Soviet Union and most of its allies to take those steps can only serve to weaken the CSCE process and detente in Europe.

ROMANIA

A major element in Romania's human rights performance is the annual review by the U.S. Administration and Congress of Romania's eligibility to receive preferential or Most-Favored-Nation (MFN) trading status. The granting of such status assures lower tariff rates for Romanian exports to the United States and U.S. credits and investment guarentees. Romania's ability to obtain MFN has been made contingent on its emigration practises under the terms of Section 402 (Jackson-Vanik Amendment) of the 1974 U.S. Trade Act. When the issue comes up for yearly review, broader human rights concerns traditionally are aired and are a significant ingredient in the final U.S. decision. Not surprisingly, most human rights improvements are registered at the last minute by the Romanian Government to coincide with the summer months of the MFN review. In 1982, increasing evidence of a poor, if not deteriorating, human rights situation, particularly in the areas of emigration, religious liberty and minority rights prompted sharp criticism from the Reagan Administration and the Congress. Although MFN eventually was renewed for another year, erosion of support for its extension was evident. Renewal occurred only after Romania

(Continued on page 12)

HUNGARIAN STUDIES NEWSLETTER

This periodical, published three times a year, also observes its tenth anniversary of continuous publication. Many more years of the same high level editorial achievement is our wish at the threshold of the second decade.

The Editor,
Carpathian Observer

The *Hungarian Studies Newsletter* systematically surveys Hungarian-related English language books, articles, meetings, research in progress, exchange programs, and scholarly works in general, extensively reported on Transylvania-related publications. This unique periodical, founded and edited by *Bela C. Maday* (4528-49th Street, N.W., Washington, DC 20016) and published by the *American Hungarian Foundation* (P.O. Box 1084, New Brunswick, NJ 08903) can render valuable service to those who have no time to follow scattered Hungarian related publications, but still want to keep informed. Az examples the Spring 1981 and the Spring/Summer 1980 issues contained the following 8 reviews: *Transylvania and the Theory of Daco-Roman-Rumanian Continuity* by Louis L. Lőte: *Dávid Ferenc és az Unitárius Vallás* by Béla Varga: *A Transylvanian Legacy* by Frederick H. Barth: *Transylvania and the Hungarian-Rumanian Problem* by Anne Fay Sanborn and Geza Wass de Czege: *Wittness to Cultural Genocide* by the American Transylvanian Federation: *Transylvania: The Political Economy of a Frontier* (dissertation) by Sam Beck; *Accident and Necessety in Rumanian Nationalism* by Attila Kővári: *The Rumanian National Mystery: Myth Makers under the Microscope* also by Attila Kővári.

Appendix No. 2.

COMMITTEE OF TRANSYLVANIA, INC. (ERDÉLYI BIZOTTSÁG.) Founded 1956

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Translation from Hungarian of an article which appeared on page 21 of
the samizdat publication "ELLENPONTOK" (Counterpoints),
"assembled and disseminated in Transylvania, May 1982":

WE PROTEST!

The outraged reaction elicited by the Lancranjan book* - and the fact that the forces responsible for its publication overextended themselves - are well illustrated by the fact that the Transylvanian Hungarian intelligentsia has now, for the first time, chosen the route of collective protest and assumed the risks involved in such protest. While there have been past cases in which individuals (e.g.: /Károly/ Király,/András/ Sütő,/Lajos/ Takács) have submitted protests to the Party leadership regarding various collective grievances or human rights violations, this is the first instance of an organized, group protest. The intellectuals, who were (and are) commonly believed to have allowed their honor to be purchased at a ridiculosly low price, have in this case acted according to the dictates of their conscience by sending two protest documents to the Central Committee of the R/umanian/ C/ommunist/ P/arty/, or more precisely, to /President Nicolae/ Ceausescu himself.

The two documents are the result of separate initiatives. First, at the beginning of May, intellectuals in Cluj (Kolozsvár) signed a protest memorandum. The majority of the fourteen signers are reportedly established writers, philologists and critics, with the remainder consisting of other intellectuals.

For the time being, the names of the signers are being kept secret. All that has leaked out is that the two who initiated and organized the protest are Géza Szőcs and Marius Tabacaru, a piano teacher and the only Rumanian intellectual whose name appears on both protest documents.

A few days after the Cluj (Kolozsvár) protest, another document, similar in content but longer and more detailed, was prepared in Tirgu Mures (Maros - vásárhely), supposedly at the initiative of András Sütő. This memorandum was signed by thirty-six intellectuals, some of whom had already signed the prior Cluj(Kolozsvár) protest.

Both memoranda bring to light those statements in the Lancranjan book which are irreconcilable with the Party's officially proclaimed minority policies, and with the Constitution.

The number of signers could have been greater, had the organizers not decided upon quick, almost conspiratoral action, in order to complete and submit the protest documents before the state security apparatus learned of their existence.

So far, the state security apparatus has exhibited only its annoyance, and they have not slammed down on anyone yet. They are probably awaiting a decision in the matter by the Party. So are we,

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* Lancranjan, Ion. Cuvint despre Transilvania (A Word About Transylvania). Bucharest (Sport-Turism), 1982.

Committee of Transylvania, Inc. Appendix No.3.

MEMORANDUM

to the participants of the Madrid Conference examining the adherance to the Helsinki Agreements

We raise our voice to the peoples represented at the Madrid Conference for the survival of the Hungarians of Romania, numbering about two million. It might not be too late yet to stop the process which is threatening our existence and which is caused by the policy of the Romanian government.

Never before has the "romanianization" of Transylvania (Erdély) and the repression of our culture been carried out with such energy. Masses of Romanians from areas beyond the Carpathian Mountains have settled in places with a Hungarian majority and in through-and-through Hungarian districts and places - mainly in the cities. According to the official national statistics, the number of Hungarians stagnates. The Hungarian language school system is being removed step by step, the publication of books and magazines meets with ever increasing difficulties. Our language has been completely forced out of public life. The tendency to seclude us from other Hungarian-speaking areas abroad has become increasingly forceful. (The relations between Hungary and Romania are below minimum level in all areas).

The natural development of our ethnic awareness is made difficult by all conceivable means. Generation after generation is brought up in the chauvinist atmosphere brought about by the propagation of the supremacy of Romanian history and culture and desparagement of our values. There is no way to get to know one's own ethnic background and even the true facts of the history of Transylvania. The state powers treat us as if we were enemies from within, particularly where intellectuals or workers are concerned. Intimidations by the security authorities are of common occurrence. If now we speak out in defence of our values we will be called chauvinists. We practically live as subordinate citizens in Romania. Even our professional career is barred by the fact that we are Hungarians.

We have no means of defence. The individual is defenceless in the face of arbitrary state rule; the institution safeguarding our interests, which had been established by our community, ceased to exist in 1949, when the Hungarian Ethnic Alliance was liquidated. Our life is therefore marked by a lack of both individual and collective rights, which are inseparable in our cause.

The fact that existing international agreements do not deal with the collective rights of the minorities reflects most deeply on the chances for bringing about a change of our situation. The approach generally taken in international usage is to focus all attention on the problem of human rights, being unmindful of the values borne by the ethnic minority as a community, on account of its traditions, in its own culture and collective identity. These values would deserve special legal protection. For while it is natural for the majority - because of its size and power - to have executive authorities paying favourable attention to its own particular values, the minority would require the authority of collective self-defence for the same purpose. This explains why all endeavours to secure human rights to the minorities without paying attention to the fact that they are communities - regardless of the original intention of the endeavours - deliver the minorities into the hands of the majority.

Having taken all this into account, we find that in order to change our outlawed situation it would be fundamental for the international agreements reached at the Madrid Conference to put our survival as a minority on record and at the same time our human rights, safeguarding the upholding of our values:

1. We should be granted the right to regard ourselves as bound by unbreakable bonds to the all-Hungarian people and the analogous right should be granted to all ethnic minorities.

2. We should be granted the right to preserve our ethnic characteristics and collective values.

3. We should be granted the right to found an independent body protecting our interests

4. These rights - in our view - could only acquire real validity if an independent,unbiassed international commission were formed which would examine our situation, make decisions regarding certain debated issues and which would also have supervisory functions.

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We have attached our suggested programme to this memorandum in which we endeavoured to present the most important demands to the Romanian government, in the interest of settling our situation.

Transylvania, in September 1982

The editors of the underground
periodical "ELLENPONTOK" (counterpoints)
the anonymity of which, we are sorry
to say, need not be explained in
the Romania of our days, where
critics become untraceable persons or
victims of "accidents".

Committee on Transylvania, Inc. Appendix No.4.

PROGRAM PROPOSAL

Of the editors of the underground paper "Ellenpontok" ("Counterpoints") in order to change the plight of the Hungarians in Rumania, who are peprived of their civil rights.

The Hungarians of Transylvania /and of Rumania in general/ today are going through, which is perhaps, the most critical phase of their long history, threatening their very existence. The rights which would guarantee their survival are only illusory and serve as cover-up for the practical and actual handling of the Hungarian problem by the authorities and which is radically different from the official statements and speeches.

Therefore:

I. We demand, that we should be considered an inseparable part of the Hungarian nation and as such, being at the same time Rumanian citizens, permitted to cultivate our relationship with The People's Republic of Hungary, without any hindrance, on an institutional as well as individual level.

1. Every Rumanian citizen should be able to travel to the Hungarian People's Republic without any restriction.
2. The orders should be rescinded, according to which we are not permitted to put up our visiting foreign friends in our homes. (This order punishes us, Hungarians most.)
3. Our cultural institutions as well as the different cultural groups active within those institutions should be free to invite Hungarian organizations and individuals from the neighboring countries.
4. Until the Hungarian universities are restored in Transylvania, the Hungarian students of Rumania should be allowed to study in Hungary; after their return they should be employed according to their qualifications acquired in Hungary.
5. The Rumanian custom authorities should stop the almost customary arbitrary confiscation of the Hungarian cultural publications.
6. Using relay stations, the broadcasting and receiving of the Hungarian (Budapest) television program should be extended to the entire territory of Transylvania.
7. It should be made sure that Hungarian books published in the Hungarian language area (Hungary, Czechoslovakia, Yugoslavia and the Soviet Union) are available also in Rumania.
8. It should be possible to subscribe without any restriction to all the newspapers and periodicals published in Hungary and these publications ordered there should reach the addressee in Rumania.
9. The natural interest of known intellectual and political personalities in Hungary in, and their justifiable concern with, the fate of their fellow-Hungarians in Rumania should not be considered as meddling in the internal affairs of Rumania.

II. We demand that the right of the Hungarians, living in Rumania as an ethnic community, concerning institutional self-preservation and cultural autonomy, should be guaranteed.

1. As an amendment to the 22. paragraph, the constitution should contain the right of the nationalities to form their organizations to safeguard their interests, whose office-holders would be elected in a democratic process by the members of the organizations.
2. Such organization of the Hungarians in Rumania should have the right to direct the Hungarian cultural life and educational policy, to control the cadre policy as related to Hungarians, to take care and protect monuments, buildings and art relics connected with the Hungarian historical past.
3. Every Hungarian in Rumania should have the right to join this organization, whose aim is to protect the interest of the Hungarians, irrespective of the part of the country, in which he or she lives [i.e. not only Transylvanians].
4. The organization should have its own press organ.
5. The story of the Hungarian People's Federation should be written [a representative organization of the Hungarians in Transylvania till 1949. Ed.] and the true circumstances of its liquidation in 1949 should be made public.
6. All leaders of the Hungarian People's Federation who were imprisoned should be rehabilitated publicly, together with those, who were sentenced to prison in the past thirty years, because they attempted to protect the interests of the Hungarians; and those sentences should be invalidated.
7. The fact should be officially acknowledged that our culture is an integral part of the Hungarian culture and not some kind of a branch of the Rumanian culture.
8. They sould set up, within the framework of the Ministry of Education and that of the different county school-boards, departments for the nationality education of nationality students in their own language, and they should be on equal footing with the ones handling the Rumanian education.
9. They should restore the Hungarian kindergartens and all other Hungarian educational institutions. These should guarantee potentially for the Hungarian children the education in their native language from the kindergarten on to high schools [secondary schools] and vocational schools in all counties where Hungarians live.
10. They should institute Hungarian orphanages and special schools for retarded and handicapped children where they are taught in their own language, there by putting a stop to a procedure now generally practiced by which these children are placed in Rumanian institutions in order to Rumanize them.
11. They should enforce the 6/1969 law concerning the status of the teaching personnel, which states that a pedagogue who does not speak the language or speaks it inadequately, cannot teach Hungarian classes.
12. The continuance of a Hungarian school with Hungarian classes is contingent upon the number of attending children. There is an obligatory minimum requirement. If the number of children in the class is below this number, the Hungarian classes are integrated into Rumanian schools. They should lower this requirement in order to keep the Hungarian schools in the villages open. We should adopt the exemplary educational policy of Yugoslavia, which sets up a school for nine students of any nationality group in the country. The Rumanians should apply the same standard in this respect to Hungarian children as they do to the Rumanian children.
13. In Hungarian schools the history and geography of Rumania should be taught in Hungarian.
14. The Hungarian universities should be restored and in each special professional field educational institutions of higher learning should be established.
15. The sphere of activity of the nationality publishing house should be broadened and its financial funds increase, so that they could apply themselves to the task of publishing books in the language of the nationalities, because it is totaly neglected by the rest of the publishers.
16. The Hungarian press and the Hungarian radio and television programs should be free to analyse and discuss the vital problems of the Hungarians in Rumania.
17. The Rumanian authorities should put a stop to their habitual attitude of treating the Hungarian intellectuals as suspicious individuals. They should not be subjected to surveillance and harassment by the security forces just because they happen to be Hungarians.
18. An effective freedom of religion should be guaranteed, also the true internal autonomy of each church.

III. We demand self-administration for territories with predominantly Hungarian population and an equitable part in the administration on this country.

1. Let the Szekely-land obtain, this time a true, autonomy, which would extend to its entire territory.
2. A stop should be put to the practice, whereby villages and other communities with an all-Hungarian or predominantly Hungarian population are managed by Rumanians [president of the council, president of the farmer's co-operative, party secretary, police etc.]
3. The Hungarians should have their representation, according to their numerical ratio, in the legislative body of the country, and the party membership but

also in the economy management, the party leadership on all levels, and in the government.

IV. We demand that the artificial alteration of the ethnic composition of greater Transylvania (historic Transylvania, the Parts (Partium and Banat) should be stopped at once.

1. The forced and massive re-settling of the population of Moldavia and Wallachia into Transylvania should cease.
2. The authorities should give up their effort to try to change the population of Hungarian villages into mixed population.
3. The practice by which newly graduated Hungarian intellectuals (specially engineers and physicians) are forcibly transferred to Moldavia and Wallachia, should be terminated.

V. We demand that the development of the ethnic awareness in the Hungarians of Romania and its cultivation be made possible.

1. With regard to our past.

a) Hungarian mother tongue pupils should be given a chance to become acquainted with the true historical facts regarding their own ethnic background and Romanian pupils should also be instructed about these facts, at least to a minimum degree.

b) The publications dealing with history should objectively discuss the history of Transylvania. The exhibits in the museums should not be used in order to conceal or belittle the role of the Hungarians in the past and their existence today.

c) The ideological function of the Daco-Romanian continuity should be discontinued (This theory should remain what in fact it is: a working-hypothesis of the historians).

d) Taking an active interest in the history of Transylvania should not be regarded as a manifestation of revisionist tendencies.

2. With regard to our present situation:

a) Statistical data about the present situation of the nationalities should be made available to everyone.

b) It should be permitted for anyone to engage in sociological research pertaining to the nationalities.

c) Independent of the language of instruction, every school should inform its pupils about the situation of the nationalities in the country and about their culture.

d) Books on the life of the nationalities in Romania, their national customs their art etc. should also be published in the Romanian language.

e) Rules and regulations concerning the use of derisive names should also be made applicable concerning names used to deride Hungarians (this is to say, names such as "bozgor" and "hazatlan" should be regarded equivalent e. g. with "olah").

VI. We demand that in all areas of greater Transylvania inhabited by Hungarians the Hungarian language be treated equal with the Romanian language in official as well as in everyday use.

1. The use of the Hungarian language should truly be possible in public administration and in the offices of the various authorities. Hungarian language petitions addressed to the same should be accepted, as stated in paragraph 22 of the Constitution. The identity cards, the passports, and the official form letters etc. should be bilingual.
2. In the above areas, workers employed in the fields of health care, commerce and public services should be familiar with the Hungarian language.
3. In areas with a Hungarian population, Hungarian language instruction should be obligatory in Romanian schools as well. (During the time of the Horthy-regime it was compulsory fot the Hungarian children living in Northern Transylvania to learn Romanian).
4. The names of towns and streets, shop signs, factories and public institutions, the names of consumer products, museums etc. should all be bilingual in the above areas.

VII. We demand that the Hungarians of Romania should have the same career opportunities as the Romanians.

And end should be made to the practice according to which the professional career and the engagement for a position are not determined by professional skills but, above all, by the ethnic background and to the practice that companies only employ the number of Hungarians needed to prove equality in the statistics, the percentage of Hungarian workers in the company being determined by the overall percentage of Hungarians in Romania.

VIII. We demand that our environment, reflecting our historic and cultural past, be protected.

1. The traditional townscape of the Transylvanian cities should be preserved.
2. Buildings of cultural or historic significance should not be pulled down.
3. All worthy objects should be registered as cultural properties.
4. The environment of Hungarian cultural monuments should not be changed in a way as to show the monument to a disadvantage.
5. A basis for the rescue of decaying cultural monuments should be established.

IX. We demand that the natives of Moldavia still using the Hungarian language, the Csango, be again permitted to declare themselves Hungarians and to participate in Hungarian cultural life —despite the fact that the present statistics are made to show that all of the Csango are Romanian speaking.

1. They should be permitted to join the body representing the Hungarian interests.
2. They should be permitted to freely speak their mother tongue.
3. Schools offering instruction in their Hungarian mother tongue should be opened again.
4. They should have the right to chose the language of their religion freely.
5. The Csango should no longer be segregated, their relationship with the other Hungarians should no longer be obstructed and the visitors to the Csango villages should not be driven out any longer.

X. We demand that an independen, unbiassed, international commission be formed (including Hungarians and Romanians) to examine our situation and make decisions regarding all debated issues related to our destiny.

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The above information, which has been compiled in the interest of two million Hungarians, only provides a partial cross-section of the country's problems: those touching upon the Hungarians (though they are only outlined and imcomplete). We are quite aware that the solution of the above problems can not be achieved without paying attention to general problems. It is our primary task however, to name these problems, for noone will do this for us. The open discussion of common matters would not be our task alone and maybe not even primarily our task but first and foremost that of the Romanian population.

Yet we do not consider our step premature. This wall of silence within must at last be removed: the enormous, motionless and seemingly immovable block made up of arbitrary rule and the absence of rights, which haunts every Romanian citizen like a constant feverish nightmare (exept those who profit from it) must be broken down for it is ultimately responsible for the catastrophic situtation, in all respects, our country is in today. In this regard, it is our conviction that our proposed programme, which to "some" might appear to be directed against the Romanians, in reality supports the interests of the Romanian nationals as well, as lawfullness would perforce also extend their rights.

The Trianon (1920) and the Paris (1947) peace treaties totally disregarded the rights for national self-determination of Hungarians. To illustrate the selectiveness in observing this precious right the Trianon treaty united 99% of all Rumanians in new, enlarged Rumania, 95% of all Serbs and 98% of all Croats in new Yugoslavia, 92% of all Slovaks and 100% of all Czechs in new Czechoslovakia. But only 68% of all Hungarians were allowed to live in new dismembered Hungary; 32 out of 100 Hungarians were detached from the bulk of the nation and placed under foreign rule in these neighboring countries, as a result of the newly drawn boundaries. The Paris treaty has repeated the same errors.

STATEMENT OF EASTWATCH, ERWINNA, PA.

EASTWATCH

Informing the West . . .

FOR THE RECORD

ROMANIAN REPORT JULY, 1983

EASTWATCH INTERNATIONAL, an independent human rights watchgroup which has sought to monitor Romania's compliance to international human rights agreements over the past five years, would like to take this opportunity to present facts and individual cases pertinent to the forthcoming Congressional review of the extension of Most Favored Nation status to Romania. Last year at this time, EastWatch International presented a detailed case list citing numerous instances of religious discrimination, emigration harassment, and imprisonments resulting purely from the exercise of religious conviction. Our research indicates that over the past year, very little progress has been made in rectifying the majority of these problems, and in fact, several serious new problems have arisen. Mainly:

a) The imposition of a decree requiring citizens to pay in hard currency for their education before being permitted to obtain a passport for emigration;

b) New legislation requiring the registration of all typewriters, along with a sample of type;

c) The continuation of the persecution of the Orthodox Priest, Father Gheorghe Calciu, despite all appeals, and the worsening relationships between the Church and State as indicated in the attached report.

Coming at a time when good international relationships are vitally important to us all, EastWatch International

BOX 2A, HEADQUARTERS RD.
ERWINNA, PA 18920

views these actions on the part of the Romanian Government as indications of disinterest in resolving the problems critical to the progress of better U.S.-Romanian relations. It is our opinion that the aforementioned conditions violate both the spirit and the letter of the Jackson-Vanik Amendment and must be resolved before granting any continuation of non-discriminatory trade status for Romania.

THE TRUTH ABOUT DECREE 402 OF THE STATE COUNCIL OF ROMANIA ENACTED IN NOVEMBER 1982 AS A TAX ON EDUCATION PURSUANT TO EMIGRATION FROM ROMANIA

EASTWATCH INTERNATIONAL, in order to bring to an end the tragic persecution of IOAN and LIGIA THEODOSIU, was compelled to pay $7400.00 to the Romanian Bank for Foreign Trade in order for the Teodosius to receive a passport. Since neither of the Teodosius had attended the University, a fee of $3700.00 was assessed for each of their high school educations. At the time the first cable for 7400.00 was received in Romania, LIGIA THEODOSIU was suffering from kidney ailments and had to be hospitalized in Sighisoara, the fee for which was deducted from the "education" tax money in their account. The authorities stated that, having been approved for passports, the Theodosius were no longer citizens, and all medical bills had to be settled in hard currency. An additional cable of $300.00 had to be sent to Romania before the Teodosius were given their passports.

EastWatch International strongly believes that this decree, in theory and in practice, runs counter not only to the Jackson-Vanik Amendment to the 1974 Trade Act, but also to all of the various international human rights agreements to which Romania has subscribed. It is illegal for Romanian citizens to possess foreign currency, and yet they are required by Decree 402 to pay in that same foreign currency not only for their education, but also for their hospital bills and other basic necessities. This decree, in effect, makes it totally impossible for a Romanian citizen to pay the taxes required to emigrate, from his own resources. Therefore, it is in effect, a ransom whereby people are purchased out of Romania by sympathetic friends in the West. We urge the Congress of the United States to use its influence with the Romanian Government to bring this unjust decree to an end.

NEWS UPDATE JULY, 1983, ROMANIA

Urgent cases for immediate action.

- Religious discrimination and imprisonment for religious convictions.
- Imprisonment resulting from application for immigration
- Harassment of Pastors and other religious officials.

1. FATHER GHEORGHE CALCIU, a Greek Orthodox Priest and professor, was arrested in Bucharest on March 10, 1979, and sentenced to ten years in prison. Father Calciu was very popular with the Orthodox young people and helped draft the original document of the "Free Trade Union of Romanian Workers" (S.L.O.M.R.) He is in very bad health, and it is not even known at this time whether Father Calciu is alive. His wife has sent food packages to the prison where he was said to be held, but they have been returned unreceived. Romanian law states that if a prisoner dies after serving six months of a prison sentence, that no information can be released until the prison term has ended. On May 10, 1983, the Romanian government announced that no information on Father Calciu would be released at

this time.

2. FILIP JULIUS was arrested in September of 1981 and sentenced to an eight year prison term for a possible affiliation with the Polish Solidarity movement. After his arrest his home was searched many times, and his wife was taken into custody and interrogated. She also lost her job. Julius, who has children under twelve years old, is believed to be in Rahova Prison. When his wife was finally allowed to visit him eight months after his arrest, she reported that he had lost a lot of weight, and that she believed from his behavior that drugs had been used on him.

3. NICOLAE LITOIU, a worker in a weapons factory in Slanic-Prahova, was sentenced to twenty-five years imprisonment in September of 1981. His crime: writing on a factory wall "We want bread! We want milk!" The case was appealed, but the sentence was reduced to only fifteen years.

Because of the political situation in Poland, the Romanian Police are very active. Also because of Romania's own economic difficulties, the Government is fearful of rebellion. Any situation considered suspicious can result in arrest.

4. CRITICAL SITUATION FOR GREEK CATHOLIC PRIESTS. In 1981, three Greek Catholic priests from Transylvania sent an open letter to the West calling for the Helsinki Commission and all other human rights organizations to intervene and request the legalization of the Greek Catholic Church in Romania. In the letter, Father Ploscau, Father Dragomir, Father Todea,

referred to the fact that the Greek Rite Uniate church had been forbidden by decree since 1948, and that many priests had died in prison including the bishop Julian Hossu. Currently nothing is known about the situation of these three priests but it is possible that they are in very great difficulty. In 1982, the Greek Catholic Bishop Vasilie in Rome, reported that the three priests were under house arrest, and he feared their imprisonment.

FAMILY HARASSED FOR ATTEMPTING TO OBTAIN PERMISSION TO EMIGRATE

5. NICOLAI TEODORACHE and his family who reside at Blvd. 1st of December 1918 #20 block Z12 Scara 6 2nd floor, apt. 76 Sector 3 Bucharest, applied for permission to emigrate in 1980 but were denied. His son MICECA was severely beaten by the police and derogatory articles concerning the family and their christian faith, appeared in SCINTEA, the Romanian National Newspaper. He has not been able to find employment for the past six months and fears arrest on grounds of parasitism.

6. English teacher, MARIA HARANGUS, residing at Str. L. Grunberg 24 Timisoara, Romania. Has sought permission to emigrate for three years and has faced harassment and abject refusal. She was dismissed from her position as a teacher and now suffers professional rejection for ten years. Her difficulties are compounded because of her Baptist faith and she has been told that emigration for her is impossible.

TRADE UNIONIST STILL IMPRISONED

7. CARAMIN POPESCU, forty-seven years old, and mother of a seventeen year old daughter had been sentenced in 1980 to a term in the psychiatric hospital for her part in the formation of the Free Trade Union of Romanian Workers. She was then resentenced to five years in a political prison where she is reported to be in very bad health.

PSYCHIATRIC ABUSE RELATED TO HUMAN RIGHTS ACTIVITIES

8. MIHAI MOISA forty-seven years old, was interned in the spring of 1980, in the Jebel Psychiatric Hospital for protesting his inability to obtain permission to emigrate. He was released in the winter of 1980, but he has now been reconfined.

In a similar case MIHAI BABU of Bucharest, twenty-nine years old, was confined in the psychiatric hospital after staging a hunger strike to protest the inability to obtain a passport.

9. SILVIU SCURCA was a worker at a factory that manufactures weapons and household products. After writing a letter to his employer, the contents of which are unknown, he was sentenced to serve three and a half years in prison. He has a wife and four children.

10. VIRGIL FIRU, IOAN VIASU, and STAN APOSTOL were all arrested in September of 1981 when a ship importing books by the Romanian author Richard Wurmbrand was discovered by the Secret Police.

Because Christian literature and Bibles are not welcome in Romania, Firu, the ship captain, was sentenced to a seven year prison term. Viasu and Apostol, both mariners on board the ship, were also sentenced. Viasu, whose wife is ill, must serve a six year term, and Apostol, who has a wife and two children, was sentenced to five and a half years. All three are in Craiova prison.

The families did not appeal to the West because of fear but others arrested at the same time have been released because of intervention. Now after serving one and a half years of their sentences, they are appealing for help from the West.

11. BENJAMIN COCAR and IOAN STEF, Baptist pastors in Medias, were recently brought under police investigation for preaching without state approval. On May 10, 1983, after a meeting with a authorities, their home was vandalized, Stef's car was damaged and a knife was found stabbed through his Bible. On May 13, they were called to a meeting in Sibiu; however, plans to install a new Pastor in Medias were abruptly dropped.

12. PAVEL NEGRUTIU and BUNI COCAR were both brought under investigation on May 3, 1983. They have been accused, along with Benjamin Cocar and Ioan Stef, of violating Romanian law by working as pastors without state approval.

13. CORNEL AVRAMESCU, an Orthodox Priest from Uroi-Hunedoara was dismissed from his job in February, 1983. He is still being investigated by the Police.

14. VIOREL DUMITRESCU, an Orthodox Priest from Parohia Visag-Lugoj, was dismissed from his position because he refused to cooperate with the government. He is still under investigation.

CASES 15-27: RELEASED FROM PRISON BECAUSE OF INTEREST FROM THE U.S. CONGRESS BUT THEIR CASES ARE STILL UNRESOLVED

15. MIRCEA and DANIEL CHIRICI were arrested and held for twelve hours on April 21, 1983, for distributing Bibles and other religious literature. Badly beaten at the time of their arrest, they are still under police investigation.

16. MARIA and FIBIA DELEPETA are sisters from Carpinis. Members of the Evangelical Orthodox group known as the Army of the Lord, they were arrested and sentenced to five years in prison at Turnu Severin for their assistance of Klaus Wagner in the distribution of religious literature. They were released from prison and have sought to emigrate; however, a fee of $12,000 has been assessed for their emigration. They are under house arrest at this time.

17. HORST WAGNER, ANDREI BACH, and HORST FEDER were questioned by authorities concerning the activities of Klaus Wagner in West Germany. Klaus Wagner emigrated from Romania in January of 1983. Horst, his brother, is still being investigated because of his own Christian activities.

18. HARALAMBIE PLOSCARIU, a Baptist minister, is being investigated for his Christian work. He lives in Motru.

19. TRAIAN DORS of Beius was one of the original founders of the Army of the Lord. Dors was released from prison in 1964 after serving seventeen years for his faith. He was rearrested in August of 1982. Though he was released in December 1982, he is now very ill and is receiving no financial support from the government.

20. DR. SILVIU CIOATA of Ploesti was sentenced to five years and three months in prison for the distribution of Bibles. None of the Bibles were ever sold. They were received free of charge from Christians and given to those who wanted them.

21. MIRCEA CIOATA, the brother of Dr. Cioata, was also sentenced to serve five years in prison for the distribution of Bibles.

22. HANS HOLZMAN of Brasov was sentenced to prison for five years and three months because he distributed Bibles and other religious literature.

23. COSTEL GEORGESCU was also involved in Bible distribution. Badly beaten at the time of his arrest, he was also sentenced to six years imprisonment.

24. ION TEODOR was also convicted of distributing Bibles. He received a five year prison term.

25. PETRE FURNEA, also of Ploesti, was sentenced as well to five years and three months in prison for the distributing of Bibles.

26. ION RACEALA of Slobozia was convicted and sentenced to five years and six months in prison for the distribution of Bibles.

27. FATHER I. GODC is a Catholic Priest accused of maintaining contacts with foreigners. He was sentenced to four years in prison, and although he has since been released, he is still closely watched by police.

28. PAUL DRAGU and family - Paul Dragu applied for emigration from Romania in 1980 after his family suffered from religious persecution. When he was given the final application for a passport, he gave notice at his job only to be arrested along with his wife, Paulina, and sentenced to six months in prison for parasitism. His wife suffered a nervous breakdown under interrogation and was placed in a psychiatric hospital. Prisoners released from the prison where he was kept reported that he was severely beaten. Though he was released, he is still being watched by the government.

29. Those listed above have been released from prison, but their suffering has not come to an end. They were also sentenced to a three year loss of civil rights. For a time they were refused jobs, and although they have recently been given jobs, they still have been refused medical care for themselves and their children. They also have lost whatever seniority they had accrued in their former jobs, and are thus forced to work for much lower salaries.

29. PETRU CUFUDEANU, MARIANA OPREA, MARIA PASTIU, TELIMAJIAN, and RODICA STICRANU, as well as nine other Baptists and Pentecostals from the district of Alba, were dismissed from their positions

in a medical institution, reportedly for their religious affiliation, in February of 1983.

RELIGIOUS FREEDOM UNDERMINED BY EDUCATION RESTRICTIONS

30. By order of the Department of Cults, the Baptist Theological Seminary currently enrolls only five students and accepts students in to the seminary only once every four year. It is ironic that at the present time there are more professors than students, and the same situation exists in the Pentecostal seminary and the Adventist seminaries.

In Cluj the Hungarian Reformed church has only fifteen students, the same number being allowed to enter the Catholic seminary, in Alba Iulia.

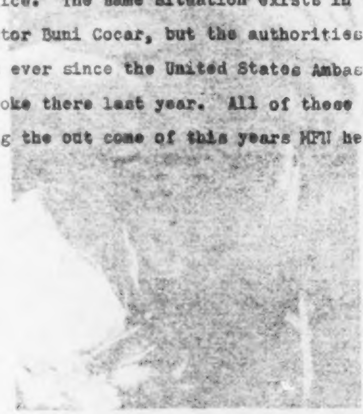
All seminary students are under constant surveillance by the Secret Police and are subject to random control of all personal letters, notes, and study material.

Currently there are no possibilities for the training of Catholic Nuns.

BAPTIST CHURCHES UNDER PRESSURE

31. In Aradul Nou the Baptist church has had its windows smashed by the authorities. Its pastor Stefan Minzat is under investigation. In Aiud the Baptist church is fined one hundred lei per day as long as they continue services.

In Oradea the Second Baptist church has come in to direct confrontation with the State and the Department of Cults concerning the election of its pastors. Paul Negruti is preparing to stand trial, having been accused by the Department of Cults of being illegally employed. The Romanian law states however, that the local church is a bona-fide employer, however, the ability of local assemblies to appoint their own pastors undermines the over all control of the State. There is presently a move to expell from the Baptist union Paul Negruti, and Dr. Georgita of Oradea, Pastors Ioan Steff, and Beni Cocar of Medias. This would in effect make their presence on church property an act of trespassing there by subjecting to them discipline from the local police. The same situation exists in the Bucharest church of Pastor Buni Cocar, but the authorities have had to use restraint ever since the United States Ambassador David Funderburk spoke there last year. All of these pastors fear arrest pending the out come of this years MFN hearings.



FEDERATION OF ETHNIC GROUPS FROM ROMANIA, INC.,
Kew Forest Lane, New York, N.Y., June 16, 1983.

Mr. JOHN SALMON,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR MR. SALMON: Soon, following our letter of April 21, 1983, which has demonstrated our valid concern in regard to the renewal of Romania's Most Favored Nation Trading Status, came the efforts from both Governments to deepen the bilateral relations; a fact which gives hope to each American of Romanian ancestry.

The merit of avoiding an immediate crisis belongs to both Ambassadors, Mr. Funderburk in Bucharest and Mr. Malita in Washington, D.C., as well as to the foreign Minister Andrei and the Secretary of State George P. Shultz. All of us render thanks to them and to the Administration.

However, this does not mean yet that Romania will automatically obtain Jackson-Vanik waiver extention for the coming year, but it opens up the gate for the President to recommend such extention.

It is in the belief of each of us that the close American-Romanian relations, convincing and relevant as they are, will overcome any ethnic or sectarian objection against continuation of the Trade Status.

These lines are an expression of confidence and hope that the Representatives in the Great Forum of our Nation will look with favor and preference toward Romania and the American-Romanian relations as far as the Trading Status serves the multilateral exchange for both countries.

Thank you for your consideration you may give this message.

Very Truly Yours,

CONSTANTIN MARINESCU,
President.

P.S.: Please introduce our message in the Congressional Records. Thank you.

CHURCH OF GOD,
Chicago, Ill., July 1, 1983.

Mr. JOHN SALMON,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR SIRS: I am Rev. George W. Galis, an American citizen, pastor of the Romanian Church of God, in Chicago. I opened this church in 1973 with 35 people, all immigrants from Romania. Today our congregation has 485 people. I'm the sponsor of around 1,500 Romanian Immigrants, of which 485 of them are in our church, and the rest are in cities across the U.S.A. They came thru Immigration laws from Romania, with permission from the Government and the cooperation of the Romanian Embassy in Washington, D.C.

I read how President Reagan extended Romania a status as a favored trading partner of the United States. I agree that Romania should be the Most Favored Nation.

I write this letter to you, which contains very important facts about Romania.

There is religious freedom for all denominations like never before. In Romania there are six theological institutes, with 1,590 students and 13 Theological Seminaries with 2,082 students. Also many students from all denominations further their studies in the U.S.A. In 1980 two large Churches with 2,000 seats were built, the Philadelphia Pentecostal Church in Bucharest and Sperantza Baptist Church in the city of Arad. In 1980, the International 58th General Assembly of the Church of God (Cleveland, TN.), there was a historic moment when the General overseer and Romanian leaders announced that the Romanian Pentecostal Churches would unite with the American organization of the Church of God. About 1,000 churches with the membership total of 200,000 members became part of the Church of God of the United States of America.

About the Hungarian people who live in the state of Transilvania and in other parts of Romania.—They possess equal rights in all aspects of the economic, political, legal, social, and cultural life. The Grand National Assembly of Romania consists of 369 deputies—elected on March 9, 1980, of whom 332 are Romanian and 29 Hungarian, six german and of other nationalities. In the school year of 1979-1980 the school network with hungarian instruction for day students included 2,475 units of which 1,078 were for pre-school children 1,276 general schools and 120 lycees. In higher and University education, in two cities: Cluj and Tirgu-Mures. In the field of Publishing, during the period of 1970-1979, the Kriterion House alone, published

1,055 titles in the Hungarian language. Scientists, researchers technological and University cadres from the hungarian people contribute to the development of Science and Technology in Romania. The political, social-cultural and artistic-literary press, the radio and television broadcasts in the Hungarian language play an important role in informing and educating the public.

It should be noted that during the last few years alone the Faithful of Hungarian nationality built 16 Churches and 7 houses of Worship, and modernized 591 churches and 17 houses of worship. Three Theological Institutes with 314 students and two Theological Seminary, with 118 students, belong to the Hungarian people.

All the propaganda that in Romania is not freedon for Hungarian people is coming from Russian.

Please extend Most-Favored-Nation status to Rumania for another year.

Dear Sir please include this letter in "Congressional Record."

Sincerely yours,

Rev. GEORGE W. GALIS, *Pastor.*

MIAMI BEACH, FLA., *July 10, 1983.*

Mr. JOHN J. SALMON,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

(1) Radu Mircea Poenaru, married, architect, born July 29, 1946; (2) Margareta Poenaru, wife, born Salisteanu, on Dec. 16, 1949; and (3) Vlad Poenaru, their son, 7 years of age, all three living at: Calea Grivitei 399, Etaj IV, Apt. 16, Bucharest 78351, Romania.

Radu Mircea Poenaru is the son of my sister Lidia Poenaru, living at the same address given above.

They applied for permission to emigrate to the United States three years ago. The reason why they want to leave Romania is that they can not get any fulfillment of their lives professionally and they can not see any future for their son growing in a country where there is no freedom.

We sent them the written invitation required by the Romanian authorities and the affidavit of support required by the U.S. authorities.

In these three years, since they applied for the exit visa, they inquired several times about the fate of their application, but every time they were told, it would much better for them to renounce their intention to emigrate, and on the other hand, they were subjected at their working place to many chicaneries because of their application to emigrate.

We, me and my husband, US citizens, without children, want very much to have them with us as soon as possible. We are old people (me at 62 of age and my husband at 67 years of age).

Respectfully,

NADEJDA GOLEA.

HOLSTEIN ASSOCIATION,
Brattleboro, Vt., July 18, 1983.

Mr. JOHN SALMON,
Chief Counsel, Subcommittee on Trade, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

GENTLEMEN: It has been the consistent policy of this Association to support the granting of Most Favored Nation (MFN) status to the Socialist Republic of Romania, the Hungarian People's Republic and the People's Republic of China since each was extended that trade advantage in 1975, 1978 and 1980 respectively.

Therefore, you are urged to give favorable and unqualified approval to the President's recommendation for a further extension of authority under the Trade Act of 1974 to waive the freedom of emigration requirements under Section 402(d)(5) of the Act.

Further and specifically, you are urged to give favorable consideration to the President's recommendation for continuation of the waivers applicable to the three nations named above.

This Association is in no position to make an authoritative determination of the emigration policies of these countries. It has confidence, however, in such evaluations by the Administration, including its justification of waivers under the Act.

This Association is thoroughly familiar with the importance and value to the United States from a trade point of view of continuing the MFN status of these countries. It recognizes that trade with Romania is less opportune in the immediate future than with the other two nations, however, the MFN status is a strong disciplinary factor in achieving corrective emigration policies which should serve our interests well in the long term.

Obviously, acceptance of this recommendation will not cause the Committee to run afoul of the recent Supreme Court decision on Congressional veto in the Chadha case, thereby giving the Congress additional time to reconcile the "veto" decision should it wish to do so in the case of the Trade Act of 1974.

I am privileged to make this positive statement of position on behalf of the 43,600 dairymen-members of Holstein-Friesian Association of America who are located in 49 of the 50 States.

Your favorable consideration of the President's recommendations which this Association supports with respect to the Socialist Republic of Romania, the Hungarian People's Republic and the People's Republic of China is appreciated.

Sincerely,

ROBERT H. RUMLER,
Chairman Emeritus.

THE VTH CONGRESS OF THE HUNGARIAN FREEDOMFIGHTERS,
Cleveland, Ohio, July 14, 1983.

Mr. JOHN J. SALMON,
Chief Council, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR MR. SALMON: The following is to be a statement of the position of the Hungaria Freedom Fighter Movement concerning immigration policies in Rumania particularly in Transylvania. This statement is in relation to the Sub-Committee on Trade of the House Ways and Means Committee on January 14, 1983.

The Hungaria Freedom Fighter Movement is a defacto representative of freedom loving Hungarians world wide since October 23, 1956 when our movement came into existence and has eventually been officially chartered in the State of Ohio as a cultural and ethnic organization. We have unceasingly been opposing the unjust and inhuman treatment of minorities especially those of Hungarian descent, by the Rumanians in ancient Transylvania. Ever since 1920, when Transylvania was handed over to Rumania under the terms of the Treaty of Trianon, the native Hungarian population of Transylvania has been treated worse than second-class citizens. Then, since 1945 as a result of the communist takeover of Rumania, but especially the advent of the Ceausescu regime, the Hungarians have suffered under double tyranny. Premier Ceausescu and his family of fifty, who hold top government positions, has a virtual strangle hold on all non-Rumanian minorities. Immigration, as well as cultural activities, have been most unfairly curtailed.

We freedom-loving Hungarians who reside in the United States whole-heartedly support and uphold the Constitution of the United States and all the good things that this country stands for. We are convinced that this country would not want to develop trade with nor should treat as a most favored nation Ceausescu's Rumania that has continually violated virtually all international agreements including the Helsinki Accord concerning Human Rights.

It is not our objective to support immigration policies in Rumania which would result in the physical removal of native Hungarians from occupied Transylvania. But we are in total agreement with the Sub-Committee's intention to support free movement of all people's any where in the world. We vigorously oppose such practices in Rumania which disallow families from visiting each other where ever they may live. As a result families are cut off from those who live in Hungary or the free world.

May we respectfully request that the Sub-Committee on Trade find ways and means to "inspire" the Soviet officials to adamantly discourage Rumania from such oppression and unfair treatment of any national and religious minorities.

We wish to call your attention to a recent article that appeared in our official publication, the June, 1983 issue of the *Szittyakürt,* pg. 4 of which I am enclosing a copy. In this article entitled "Erdélyi Viszhang", we give a first hand account of the life of the Hungarians in occupied Transylvania. Hungarians are virtually excluded from representation in local and regional governmental affairs. 12 percent of Rumania's population is Hungarian and yet they are treated as though they constituted an insignificant minority. The cultural and linguistic heritage is severely suppressed. The Hungarian Jews, for example, in Nagyvarád, which used to number 44,000 prior to World War II, has fallen to a mere 1500. Hungarian and other non-

Rumanians are systematically uprooted from their homes and settled elsewhere in Rumania to achieve forced assimilation. Scholarships, jobs and travel visas are virtually unattainable for non-Rumanians under Ceausescu.

We respectfully appeal to the Committee on Trade to courageously apply the American sense of fair play in dealing with the chauvanistic and insensitive Communist Rumania of today and not to trade with such a regime which has aimed from the moment of its conception to exploit and weaken the socio-political position of the U.S.A. It is much more advantageous for the United States to trade with such Eastern European countries as Hungary, for example, where free travel and generous treatment of minorities is nowadays the rule rather than the exception.

Furthermore, we respectfully request that one of the organization's representatives of the Hungarian Freedom Fighter's Movement be allowed to participate or testify before your committee.

I am urgently awaiting your positive reply.

Yours truly,

ANDOR S. JOBB DE PAPOS,
President.

STATEMENT OF DOUGLAS N. UPSHAW, VICE PRESIDENT, EXPORT DEVELOPMENT, INTERNATIONAL HARVESTER CO.

International Harvester Company appreciates the opportunity to express its views on continuation of the waivers applicable to trade with the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China. International Harvester has a long history of trade with both Eastern Europe and China—our predecessor company began trade with Eastern Europe in 1880 and our trade with China goes back to the turn of this century.

Today, in addition to sales of equipment manufactured in the West, IH has cooperation agreements in manufacturing with an enterprise in Hungary. In light of this successful relationship, we are pursuing additional opportunities in Eastern Europe and China.

Since the U.S. granted Hungary most-favored-nation (MFN) status, Hungarian products have been able to find greater access to the U.S. market. We have no doubt that continuation of MFN status for Hungary will facilitate the growth of International Harvester's trade with Hungary.

International Harvester currently sells to Hungary complete machines, service parts and components to complement local technology, and provides technical assistance in the form of licensed technology. In 1983, we expect these sales to total approximately $4 million. IH purchases from Hungary tandem drive axles for heavy-duty truck tractors. Such purchases are currently running at a much lower level than originally scheduled due to the depressed state of the U.S. truck market. It is important to emphasize that the IH exports of U.S. goods and technology mentioned above could not be realized unless the company were also purchasing axles from Hungary.

Over the last 10 years, Hungary has been developing a system of intensive cultivation and harvesting of grain crops that is on the leading edge of world technology and is a model for all of Eastern Europe. U.S. partners have assisted the Hungarians in this program and since the granting of MFN treatment by the U.S. and Hungary to each other's products, International Harvester has been designated by Hungary as the prime supplier of equipment for this growing opportunity to sell large tractors and companion implements throughout Hungary. Hungary has thus become a major export market for our agricultural equipment manufactured in the U.S.—a market we believe will continue to grow under the encouraging umbrella of MFN.

International Harvester has been particularly pleased with its business association with the Hungarian enterprise, RABA, which has proven to be a reliable supplier of quality axles to our heavy-duty truck manufacturing specifications in the United States. RABA has adapted rapidly to the technology we have transferred to it in both the truck and agricultural equipment areas. Our association with RABA has always been in strict accordance with the highest standards of business ethics from the moral, financial, technical, and commercial points of view.

As is the case with Hungary, enterprises in Romania need convertible currency generated by sales to the U.S. if they are to be able to increase, in turn, their purchases of U.S. products. International Harvester believes continuation of MFN status for Romanian products will facilitate the growth of IH's trade with Romania, where we are always pursuing additional opportunities for mutually beneficial trade.

In China, International Harvester has moved to take advantage of the opportunities for major equipment sales opened up by approval of the U.S.-China bilateral trade agreement in 1980. We believe China will be a significant market for the products that International Harvester makes—medium- and heavy-duty trucks and agricultural machinery. China's modernization plans, even though less ambitious now than when originally formulated, put a high priority on developing agriculture, the transportation system, and the extraction of natural resources. The needs of these sectors would provide major export opportunities for U.S.-based suppliers of capital equipment. China's interest in U.S. equipment has been demonstrated by major orders for International Harvester forestry equipment, agricultural machinery, and large oil-field trucks.

Finally, I would like to emphasize our belief that maintenance of normal trading relations with China and Eastern Europe, and American industry's interaction with government officials and leaders in those countries, have tended to break down barriers of suspicion and mistrust, helping in some way to move the world closer to peace.

For these reasons, we heartily support extension of the waivers of the Jackson/Vanik Amendment and the resulting reaffirmation of MFN status for Hungary, Romania, and China.

STATEMENT OF DR. PETER NELSEN, CHAIRMAN, INTERNATIONAL TRADE COUNCIL

Mr. Chairman and Members of the Committee. I am Dr. Peter Nelsen, and economist and Chairman of the International Trade Council (ITC), a not-for-profit trade association representing U.S. exporters and dedicated to the expansion of international trade and overseas development within the private sector.

We appreciate the opportunity to submit testimony for the record regarding the "Presidential Recommendation to Continue Waivers Applicable to the Socialist Republic of Romania, the Hungarian People's Republic; and the People's Republic of China, and to Extend the Waiver Authority Under the Trade Act of 1974."

The ITC favors the President's policy of continuing the waivers for Romania, Hungary, and the People's Republic of China (PRC) under Section 402(c) of the Trade Act of 1974. Our position is based on three principles. First is the adverse effects denying Most Favored Nation status would have on the U.S. economy where $3.6 billion in exports are at stake, as are 90,000 jobs. Second is political interest, where Most Favored Nation status is the cornerstone of our bilateral relationship. Finally, our position is based on the complete ineffectiveness of embargos as a means for influencing domestic policy.

Free Trade is good for the U.S. economy. It creates millions of jobs and new commercial opportunities for U.S. citizens. Most Favored Nation status is a key element to maintaining a thriving and healthy free trade system. Without Most Favored Nation status, U.S. businesses cannot compete on an equal footing with international competitors, and the U.S. becomes the supplier of last resort.

Last year, the U.S. exported a total of $3.6 billion worth of goods to Hungary, Romania, and the PRC. In human terms, this equates to 90,000 jobs which will be lost if Most Favored Nation status is denied these three countries. Most of these jobs are also in industries which are already depressed. The PRC bought $1.5 billion worth of agricultural products. Romania and Hungary bought industrial goods such as automobile parts, tractors, and agricultural machinery. Without Most Favored Nation status for the PRC, Hungary, and Romania, hard hit areas of the economy would be even worse off.

Free trade benefits the U.S. consumer. Free trade helps keep inflation down by keeping prices down. When competition is restricted prices rise. Free trade means healthy competition.

Free trade with Hungary, Romania, and the PRC makes sense from a national security point of view also. When they are spending hard currency to buy food and consumer goods, they cannot also be buying military hardware from other sources.

Politically, free trade makes even more sense. Both Romania and Hungary are working towards developing an independent economic policy. Denying them Most Favored Nation status would seriously hinder that quest and would make their economies even more dependent on the USSR. For fifteen years, Romania has deliberately sought to reduce its trade dependence on the USSR. Currently, two-thirds of Romania's trade is with the West. Hungary has developed a new economic policy. It has modified its commercial laws on joint ventures, organized free trade zones, and allowed the creation of small and medium sized private businesses. The Commerce Department reports that Hungary and Romania both adhere to our trade laws and honor their agreements.

Retaining Most Favored Nation status for Hungary and Romania further realizes the U.S. objective of bringing these two countries fully into the international trading system and decreasing their dependence on the USSR. Both countries formally adhere to many multilateral codes on non-tariff trade barriers and to the international arrangements negotiated during the Tokyo Round. Romania is eligible for, and utilizes, Export-Import Bank lending programs and Commodity Credit Corporation (CCC) credits. It is also eligible for Overseas Private Investment Corporation (OPIC) political risk insurance. Hungary has joined the IMF and the World Bank.

As for the PRC, it is currently our 19th largest export market, $2.9 billion in 1982, and our largest non-market trading partner. With the recent Presidental decision to raise the level of the high technology goods licensed for export, trade to the PRC will expand considerably.

U.S. business is also very interested in doing business with the PRC because the benefits it brings to them and the U.S. economy. Already there are 21 U.S. media organizations who have offices in Beijing, 73 U.S. banks with a correspondent relationship with the Bank of China, and 80 universities with formal affiliation with Chinese schools. Also, many U.S. firms do business with Beijing from their offices in Tokyo, Singapore, and Hong Kong.

Free trade is important to U.S. self-interest. It helps our economy by providing profits and jobs. It gives us leverage to influence policies of other countries.

Most Favored Nation status is the cornerstone of our bilateral economic relations with these countries. It is the leverage for improving our bilateral political relations. Denying Most Favored Nation status would prevent the U.S. from being able to influence domestic policies over which many people have legitimate concerns. But more importantly, loss of Most Favored Nation status to the PRC, Hungary, and Romania would deny 90,000 Americans a job.

Denying Most Favored Nation status is in effect restricting or embargoing trade with the effected nations. Past history clearly demonstrates that embargos are a very ineffective way to influence the domestic policies of a country. It has not worked in South Africa or Cuba, and the grain embargo against the Soviet Union did much more damage to the U.S. agricultrual economy than it did to the Soviet economy. Also, the ideal of intentionally hurting another country's economy is totally contrary to Chistian moral values and the United Nations Charter. Besides, the only people who are hurt by an embargo are the workers and peasants whose lives become a little more miserable. The people at the top will live well regardless of economic embargos.

It is important for the U.S. economy, U.S. prestige, and U.S. influence to keep free and expanding. Denying Most Favored Nation status to Hungary, Romania, and the PRC will hurt the U.S. economy much more than it will the economy of these countries. It will also decrease our influence with them. For our own benefit we must maintain free trade. A 10–11 percent increase in U.S. exports will reduce the trade deficit by 50 percent, reduce the budget deficit by 18–20 percent, and increase the GNP by 1.5 percent.

STATEMENT OF ALBERT GORE, CHAIRMAN OF THE BOARD, ISLAND CREEK COAL CO.

Trade relations between Island Creek Coal Company and Romania continue to be pleasant, profitable and mutually beneficial. In the course of this business, I have repeatedly visited Romania and several Romanian officials have visited Island Creek Coal Company. Indeed, two citizens and officials of Romania live and work in the United States in connection with our mutual undertaking in the production of coal from a mine in the state of Virginia. These citizens have deported themselves in exemplary fashion in communities in which they live.

I am a member of the Romanian-United States Economic Council. From this vantage point, I have observed trade relations between private enterprise companies of the United States and Romania. These associations, and these transactions, add to the prosperity of the U.S. and, I believe, contribute to peace and understanding between the people of our country and the people of Romania.

It is a pleasure to again endorse and recommend that Most Favored Nation treatment be accorded to Romania.

Lipe-Rollway Corp.,
Syracuse, N.Y., July 18, 1983.

Hon. Sam M. Gibbons,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

Dear Mr. Gibbons: As the Chief Executive Officer of a United States company that has been engaged in substantial two way trade with Romania since 1975, I am once again writing to reaffirm my support of the continued granting of Most Favored Nation status to Romania now being considered by your Committee. I also serve as Vice Chairman, under Milton Rosenthal, of the Romanian-Economic-U.S. Economic Council.

Our Company's Romanian trade, amounting to several million dollars a year, is important to us. The events of the past several months caused us to analyze the effect of the loss of Most Favored nation tariff benefits by Romania. We concluded that the increase in duties would virtually eliminate Romania as a source of product for us. Further analysis revealed that most of the product we are now buying could be obtained from other countries. However, we foresee that the removal of Romania as a source of supply would reduce competition and eventually bring about price increases throughout our industry as available supplies would be reduced, thereby causing an undesirable inflationary result to the American consumer.

Further, with a reduction of the trade which yields hard currency to them, Romanian purchases from us would most certainly be eliminated.

In view of the foregoing and the other desirable aspects of encouraging trade with Romania, I respectfully request your favorable consideration of the continued granting of Most Favored Nation status to Romania.

Sincerely yours,

H. Follett Hodgkins, Jr.,
President.

Statement of Madeleine and Marine Musaia, Sunnyside, N.Y.

We, the undersigned: Madeleine and Marine Musata, in the quality of aunts, living at: 47-21, 41-st Street, app. 3K, Sunnyside, N.Y. 11104 Telephone: (212) 729-8431

are making this written statement on behalf of our nephew and his family, as follows: Ara Echighian, husband, 33 years old, mechanical engineer; Elena Echighian, wife, 33 years old, secretary; Arsine Echighian, daughter, 3 years old. Their address: Str. Emil Bodnaras nr. 77, bl.M45, sc.A, et.5, apt.31, sect.6, Buchuresti 77402, Romania.

This family has the Romanian citizenship and is of Armenian nationality. They filled an application with the Romanian authorities for emigrating to U.S.A., nr. 8110/Sept. 26, 1983. Our relatives decided to emigrate to U.S.A. because they want to educate their daughter in an Armenian school, because they want to work and live in accordance with the Armenian moral, social and religious traditions, because they want to freely share the cultural heritage of Armenian people, and because all these fundamental human rights are now denied to them by the most perverse and tyrannic communist regime, the one now ruling Romania. Since 1981 the Echighian family is desperately trying to join us and their other co-nationals from the strongest Armenian colony in the world, the U.S.A. Armenian colony. Despite their good conduct as Romanian citizens and their right cause, they are still waiting the passports, and received six (6) negative answers, the last two in April and May 1983. Their material and moral condition are growing worse and as a consequence of the stress, Elena Echighian suffered a facial semi-paresys, now being under treatment. Yet, the Echighian family is more than ever determined to continue their peaceful fight for their national and human rights, which could be attained by emigrating to U.S.A. We also specify that Echighian family has the requested affidavits and a complete file for immigration in U.S.A. with the American Embassy from Bucharest. Dear Gentlemen, We know you were and are always fighting for human and national rights, we know you have power and leverage capacity and we put all our hopes and confidence in God and you to help them escape the tyranny.

Our recommendation to the Subcommittee on Trade is that it should not believe the communist lies and false promises, but only the facts, because these facts speak for themselves. Our Government should never make deals and agreements with this communist tyranny that cheated us and sells people like slaves.

Thank you very much for your gratitude. We pray for you and your righteous fight.

NAMOR INTERNATIONAL CORP.
New York, N.Y., June 22, 1983.

Hon. SAM GIBBONS,
Chairman, Trade Subcommittee, Ways and Means Committee,
Rayburn House Office Building, Washington, D.C.

DEAR MR. GIBBONS: We are writing to you to express our support for granting "Most Favored Nation Tariff Treatment" for Socialist Republic of Romania, which is under consideration at present under Section 402 of 1974 Trade Act.

Our company, an importer of Chinaware and Enamel Cookware has enjoyed an excellent relationship with Romania since many years and found the quality of the merchandise satisfactory, enabling us to provide our customers with products at reasonable prices.

Therefore, we feel, it would be beneficial to extend M.F.N. status to Romania which would assure our company and our customers a stable, sound and fluid business relationship.

We also believe M.F.N. status for Romania will benefit both the United States and Romania.

Thank you for your effort in support of M.F.N. status for Romania.

Respectfully yours,

B. LASTER, *Vice President.*

THE NATIONAL ASSOCIATION OF AMERICANS
OF ROMANIAN DESCENT IN THE UNITED STATES,
New York, N.Y., May 10, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Romania is one of the few satellite countries granted the most favored nation clause by the United States government. This has brought about economic gains for the Romanian communist rulers in that it has encouraged exports by lowering the export taxes.

With the passage of time it has, however, become apparent that all these gains made possible by this advantageous arrangement are being used by the new ruling class for other nefarious goals rather than for what they had been meant: to improve the well-being of the Romanian people.

Romania considers itself a developing country and, as such, has applied for and has been granted economic and technical aids and loans. But, instead of using them for the creation of a profitable industrial structure, she has squandered them in a vain attempt at building a heavy industry that was doomed to failure from the beginning as well as for a war industry that enables Romania to supply arms and ammunition to the Asian and African communists.

The only item left to the Romanian communist rulers for export and which keeps the economy afloat is food. Romania exports her food, not because she has an excess but because she would otherwise be unable to meet her international commitments. That is why the people go hungary and have to endure stoically chronic shortages and hardships which a reign of perpetual terror does nothing to alleviate . . .

The Romanian nation came into being on the very lands it now inhabits, the people have always been deeply attached to these lands and the idea of emigrating has always been alien to the Romanian.

Today, because endless political persecutions and religious intolerance coupled with perennial crises and shortages, more and more people choose the rough path of self-exile.

We understand that the most favored nation clause should be granted to the Romanian nation and not to the "government" that represents this nation.

We, therefore, submit that the extention of the said clause does not benefit the Romanian people but caters to the unquenchable greed of the communist elite who, interested only in satisfying their own whims, are slowly bringing ruin to a nation they claim to protect.

The Romanian people are notoriously enduring and resilient but the material and spiritual conditions of their daily life have deteriorated to such an extent that it has become debatable whether they can long endure.

We affirm, with pain in our hearts and considering the way the ruling class treats the nation, that the communist elite does not and cannot improve the Romanian people's well being and that the extention of the MFN clause is no longer justified and demand that this favoritism be withdrawn.

When the spiritual and material conditions of the Romanian people are improved to benefit them we shall be the first to intercede with the government of United States of America to reinstate the MFN clause.

Respectfully,

GEORGE F. A. BOIAN,
President.

NATIONAL FOREIGN TRADE COUNCIL, INC.,
New York, N.Y., July 11, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The National Foreign Trade Council, whose membership comprises a broad cross section of highly diversified interests engaged in all aspects of international trade and investment, supports the President's recommendation for a further extension of the authority under the Trade Act of 1974 to waive the freedom of emigration requirements, under Section 402 thereof, for the Socialist Republic of Romania, the Hungarian People's Republic and the People's Republic of China.

Our trade relations between Romania, Hungary and China are profitable and mutually beneficial. We believe Romania, Hungary and China have made great strides to open new trade relationships not only with the U.S. but with other Western countries.

Future opportunities seem promising. U.S.-China trade will undoubtedly increase markedly in the near future. Specifically in the case of Romania, and to a certain extent of Hungary, the opportunity to earn hard currency by exporting to the U.S. takes on a new significance given the fact that these countries are experiencing difficulties in servicing their debt to U.S. banks and government financial institutions.

The granting of most-favored-nation treatment and the continuation of this policy have, without question, improved the political relations between our country and Romania, Hungary and China.

The National Foreign Trade Council supports the Presidential recommendation and urges that your Committee and the entire House of Representatives agree with the President that the continuation of most-favored-nation treatment to Romania, Hungary and China is in the best economic and political interest of our country.

It is respectfully requested that this statement on behalf of the National Foreign Trade Council be included in the record of the hearings on the President's recommendation to extend the waiver authority for the above-mentiond countries which are to be held by the Subcommittee on Trade on July 14, 1983.

Sincerely,

RICHARD ROBERTS.

Upper Darby, Pa., July 17, 1983.

Mr. JOHN J. SALMON,
Chief Council, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR MR. SALMON: This requests your help on behalf of our relatives in Romania who applied to emigrate in March, 1982, and had nothing as yet but obstruction, harassment and four "negatives."

Mr. Morjan, Barbu-Cristian, 40, civil engineer, is my wife's brother. He and his wife, Morjan, Barbara-Clementina, applied to leave Romania a year and a half ago. Mr. Morjan is my wife's only relative alive, and my wife is Mr. Morjan's only such relative. Mr. Morjan resides—with his wife and their two-year daughter—at 48-52 Vatra Luminoasa, bloc B, scara C, apt. 6, Sectorul 2, 73302 Bucharest, Romania. Immediately after the application he was forced by the Romanian authorities to leave his job, becoming "politically unreliable," "ideologically unfit," etc., etc.

Their ordeal could be ended in no time if the Romanian authorities had the elementary good will—which is, in fact, an obligation they have assumed—to let this family join us here in America, the more so as this is a case of family reunion.

This information is being supplied to you so that you know and maintain that Romania's MFN treatment can be extended for another 12-month period if and only if Romania shows firmness and dedication to promoting the objectives of the Trade Act's emigration requirements, not failure to comply with them. As long as this one case is pending Romania has not fulfilled its obligations and may not be granted extension of MFN trade advantages.

We thank you very much for your help and understanding. We hope that your intervention on our behalf with the Romanian authorities—especially your possible writing to the Romanian Ambassador in Washington about this case—may have a powerful effect, and may help us reunite our family here, on the blessed land of America.

With all the best wishes, I remain,

Yours sincerely,

GABRIEL NEAGU.

STATEMENT OF ARISTIDE NICOLAIE, WASHINGTON, D.C.

Mr. Chairman and honorable members of the committee, my name is Aristide Nicolaie; I live at 1330 Massachusetts Ave. NW., Washington, DC 20005. I am U.S. citizen; I left my native country Romania in December 1944, and never visited her since then.

I am active in the Romanian community here in Washington being a member of the parish council of the Romanian Church "Holly Cross" and President of the Union and League Romanian Society "Dacia Felix". Before arriving in Washington eight years ago, I was active in the Romanian community in New York City where I lived over 20 years.

I testify before this Committee as an individual on behalf of my family, that is my eighty years old mother, my sister and the son of my sister. Their name and address is: Minca Nicolae, Cornelia Nicolae and Corneliu Nicolae, Sos. Panduri No. 5, et. 1, apt. 7, Sect. 5, Bucuresti, Romania 76229.

After many years of patience and hope of changes, my mother together with my sister and her son decided to give up and leave Romania and come to join me here in the United States.

On December 1979 they applied to the Romanian authorities for approval to emigrate. They were refused; they applied again and again—34 (thirty four) times until now—again and again they were refused. I sent them the necessary affidavits of support and I applied to the U.S. Immigration Service for their immigration which was granted on June 18, 1982.

It is my feeling that at least under the provisions of the Trade Act of 1974, Sec. 402 my people should have been allowed to leave Romania long time ago.

It took me some courage to come to testify before this Committee. I love my native country Romania and I hope to see her again sometime in near future. There is among our Romanian people here in United States a general fear to testify publicly or to express one's true feelings about the situation in Romania.

The fear to testify—I know of many people who do not want to testify because of fear of reprisals by the Romanian officials; there are Romanians, American citizens who are refused by Romanian officials a visa to visit their relatives in Romania.

The contention of the Romanian officials that the provisions of the Sec. 402 would be an intrusion into the internal affairs of Romania cannot be true. The Trade Act of 1974 is a mutually agreed document binding both parties to its implementation. In my opinion, the American authorities do not intrude in the Romania's internal affairs; actually I believe that the American authorities do not do enough in helping and protecting the implementation of the Sec. 402 on behalf of the American citizens and immigrants.

The results so far of the Most Favored Nation status under the Trade Act of 1974 can be summarized in a few lines:

The Romanian government exports for hard currency to the United States and other western countries goods of which the Romanian people are more and more deprived.

The Romanian government succeeded to accumulate a debt to the United States and other western countries of about $12 billion, and is tottering now on the verge of bankruptcy—bankruptcy which is further stalled by additional western loans—namely, 500 million dollars approved recently by the International Monetary Fund.

The Romanian people of Romania and the American citizens of the United States cannot fully trust that their own governments are truly willing and able to implement the terms of the Trade Act. The fear, dismay, uncertainty and mistrust experienced by these people cannot be of advantage to either government or country.

The economic situation and the status of human rights in Romania actually worsened since the initiation of the MFN status.

The American citizens cannot help their relatives in Romania except at unreasonable high costs and confiscatory customs payments for goods either sent by parcel post or brought by tourist-relatives into Romania.

The lobbies of private enterprises that do business with Romania confound their own interests with the interests of the Romanian and American people—a sort of "what is good for them (private enterprises) is good for America". These lobbies use to present the economic, political and human rights situation in Romania in glowing terms, which, as can be proved by many facts, is not the case.

There are many more negative aspects of the MNF status; all of them, it seems to me, outweigh the advantages accrued to both United States and Romania.

We have mixed feelings about the MFN status and the U.S. President's waiver of the requirements under the Sec. 402. We want that the MFN status be truly successful, truly advantageous to both American and Romanian people; as it worked so far, we do not see enough reasons to be continued.

Included in this statement are the following names of persons who are trying to bring their relatives out of Romania and are submitted to long delays by the Romanian officials:

Constantin Rotaru, Los Angeles, California, American Citizen; Mother—Andreica Rotaru, Bucharest, Romania, and Brother—Marian Rotaru, Bucharest, Romania.

George Covaci, Chicago, Illinois, American born Citizen; Brother—Andrei Covaci, with wife and two children, Sannicolaul Mare, Romania.

Carolina Biltoc, Muscatine, Iowa; Sister—Petruta Mincu, with husband and one son, Bucharest, Romania.

Aurelia Zaharia Arjoca, Jersey City, New Jersey; Brother—Eugen Liviu Arjoca, Cimpina-Prahova, Romania.

Alexandru Cojanu, Ridgewood, New York; Wife and two children living in Ploesti, Romania.

Rev. George Gage, Merrillville, Indiana; Mother—Voichita Ielita, Timisoara, Romania.

Dora Neagu, Upper Darby, Pennsylvania; Brother—Barbu Cristian Morjan with wife and child, Romania.

Nadejda Golea—Miami Beach, Florida, American Citizen; Nephew—Radu Poenaru with wife and one child, Bucharest, Romania.

Gheorghe Bucur, Rosemont, Illinois; Brother—Costel Coraliu, Romania.

CHAGRIN VALLEY HUNT CLUB,
Gates Mills, Ohio, July 8, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: I, the undersigned, Ludovic Osvath, resident of the Chagrin Valley Hunt Club, Gates Mills, Ohio 44040, a citizen of Romania, a permanent resident of the United States, am submitting the present memorandum.

Being familiar with Romania's problem concerning The Most Favored Nation Clause, I wish to express my opinion and at the same time to request that Romania continue to benefit from this favored status. My request is based on the following:

Before emigrating to the U.S. I was preoccupied with the problem of religion. Being well informed of this problem I can affirm that in Romania there is religious liberty along with many drawbacks. In Romania the Hungarian Baptists number over 14,000 members with 120 churches and pastors. Added to these figures are the Romanian Baptists and other dominations, such as Orthodox, Pentecostal, Catholic, Presbyterian, Seventh Day Adventists, etc. On the occasion of my visist to the Holy Land in April 1983, I also visited Romania for 14 days. During this period of time I preached unhindered every evening in different Churches and concluded with satisfaction that in these 3 years since my emigration, many churches have been built, such as Samsud, Archid, Zalau, Lesmir. Many church extensions and renovations as well have been made.

All of this proves that there is religious liberty, but as I mentioned before there is also a series of problems which in their time hopefully will also be resolved as is the problem of the Hungarian Church in Zalau, the Mihai Bravu Baptist Church in Bucharest, etc. In my opinion present problems need not be a stumbling block in the help given to a nation.

In second place is the problem of the Hungarians in Transylvania. From the time of the Tower of Babel up to the present there were problems as there will always be. When different nationalities need to live together, those who live in this situation see problems differently. There are as many ideas as there are people; each head has its own ideas. At the present moment, Romania is passing through a food crises which has brought about a number of dissatisfactions among Hungarians as well among Romanians and other ethnic groups who live there. Many are taking advantage of this situation in Romania as well outside the country. Many Hungarians bring up the problem of Transylvania's separation from Romania. At the present everyone enjoys the same rights and lives under the same laws. A separation does not solve the problems, and instead of creating peace, it cause divisions. Even the least bit of help in this problem is welcome, and even more so the help given by the U.S.A.

As for as I know, the suspension of the help given to Romania by the Clause was caused by the new Emigration Decree. I consider your decision justified in this case. From the moment that the Romanian Government has annuled this Decree, the renewal of this Clause cannot be doubted.

Honorable Gentlemen, I am only one of the thousands of men who were born in Romania, grew up there, studied and worked there. At the present time I live and work alongside the American people, and enjoy the same rights according to the laws of the country, but I cannot forget my country and my countrymen, where I first saw the light of day in this world.

For these reason I also place my request In Favor of the Most Favored Nation Clause for Romania. Following my recent visit to Romania I can affirm that there is acceptable freedom of religion, that Hungarians enjoy the same rights as Romanians. Finally, if Romania ever needed help, that time, that moment, that period is Now.

Sincerely,

LUDOVIC OSVATH.

PEPSICO WINES & SPIRITS INTERNATIONAL,
Purchase, N.Y., July 11, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, House Ways and Means Committee,
U.S. House of Representatives, Washington, D.C.

DEAR SIR: This letter is directed to you because of your Chairmanship on the Subcommittee on Trade of the House Ways & Means Committee and the pending hearings concerning the continuance of Most Favored Nations status for Hungary and Romania.

Our company, PepisCo Inc., through its various divisions, has had positive and cooperative trade relations with Hungary and Romania for over a decade.

I am writing to you as President and Chief Executive Officer of PepsiCo's Wine & Spirits International Division, as an international executive, and U.S. citizen, who in his dealings with the various ministries and trade enterprise of Hungary and Romania has been impressed with their good will, sincerity, and cooperation in our joint commercial relationships, both in the areas of their purchase of Pepsi-Cola from us and our purchases of wines from them.

We introduced Romanian wines in the United States in October 1976 under the trademark Premiat. This has proven to be a success in that we have been able to provide the U.S. consumer with imported wines from Romania of outstanding quality at good value. We will shortly be doing the same with Hungarian wines. In turn, our Pesi-Cola business in Hungary and Romania has been growing and dollar purchases by both the Hungarians and Romanians of Pepsi-Cola concentrate has been significant. Pepsi-Cola has become a very popular soft drink in Hungary and Romania and is available for sale throughout both countries.

In summary, we firmly believe that building bridges of trade is an important step in developing international understanding and peaceful relations throughout the world. We support the continuation and extension of the Most Favored Nations status for imports from Hungary and Romania and respectfully request that you vote for this extension.

Yours truly,

NORMAN HELLER, *President.*

NEW YORK, N.Y., *July 14, 1983.*

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Ways and Means Committee,
Longworth House Bldg., Washington, D.C.

DEAR CHAIRMAN GIBBONS: In connection with the Subcommittee hearings on granting MFN to Romania I wish to thank you and the other members of the Subcommittee for the opportunity to write this letter for the hearing record affirming my support of our current U.S. trading relationship with Romania.

Recognizing that President Reagan in transmitting to Congress his recommendation that the waiver authority be further extended, he has taken cognizance of the improved emigration performance of Romania which is viewed by the Subcommittee as a particularly necessary condition for continued extention of MFN treatment.

As an expert in International trade and Constitutional affairs I have followed Romania's performance through the years and I have been priviledged on previous occasions to appear before the Subcommittee on Trade to share my experiences.

Indeed, 20,000 emigrants a year is a substantial loss of potential manpower capacity given the small and limited level of this country's population. Surely the United States has never pursued as a deliberate policy a brain-drain program of another countries resource. As a matter of fact the U.S. encourages students to return to their country of origin and contribute to aid and development programs. Romania should be rewarded for the effort she made to facilitate the emigration of 20,000 of her citizens this last year on grounds they were being re-united with their families, released in search of other prospects or being gratified in their personal beliefs.

We must remeber that Romania is committed to the international community and has earned the reputation of a reliable member in the diplomatic family of nations. Romania felt always that it was necessary to pay due regard to the method where rules of law are progressively developed, particularly in such instances as the most-favoured nation clause system which concerns far-reaching and extremely complex areas of inter-state relations which are undergoing far-reaching changes.

In the view of competent Romanian organs it is recognized that State practices in respect of most-favoured-nation clauses have changed significantly during the twentieth century—as it has in respect of other institutions of international law—without however diminishing the political and economic significance of such clauses.

It is further the opinion of competent Romanian organs that any international instrument concerning most-favoured-nation clause should be negotiated and drafted in such a manner to reflect the existing situation with respect to the relations between the States in the various areas of international life and to promote the development and reshaping of those relations so that they may gradually meet the requirements of an optimum solution, a balanced solution.

Romania remains creditworthy in the financial community since she has undertaken an austerity program in her monetary policy and further remedial measures in her social-political setting. In coping with the present situation the Romania Government is creating its own future, inducing adjustments and adaptations to new requirements. Mindful of the constantly changing international community and aware of the established new rules of international law, as a developing country Romania maintains a flexible position while insisting that exceptional situations left to specific stipulations contained in reciprocal inter-state agreements reflect their interests also.

It goes without saying that perfection in diplomatic achievement cannot be attained, that its 'effectiveness' is a matter of degree, and that while its 'efficiency' may be high, its 'effectiveness' may be low and lead to wasteful and aggravating consequences. It is suggested that the Subcommittee on trade grant the most-favoured-nation clause to Romania.

Cordially,

TITUS PODEA, *Professor.*

STATEMENT OF ION RATIU, SAVANNAH, GA.

On March 3rd, 1982, Senator Daniel Patrick Moynihan introduced in the Congressional Record an article claiming that the Hungarians of Transylvania are being persecuted and destroyed.

We, Romanian democrats, are dismayed. We have defended, and are defending the persecuted in Romania no matter who the victims are: Romanian, Hungarian, Saxon, Jews, or whatever. We cannot understand how, and why, the Hungarians have mounted a campaign turning this suffering at the hands of the communists into an ethnical issue, unless it is a deliberate misrepresentation in order to advance Hungarian "chauvinist" propaganda and their hankering for past glory. In our view this is tragic. The common enemy is communism. We should work together to free our countries from it. We deplore this unfounded campaign that would have the world believe that only the Hungarians are deprived of their rights. In fact, the Romanian non-communists are more persecuted. The Romanian Catholics of Transylvania, for instance, cannot worship in their own churches, whereas the Hungarians can. It is important for the record to state that the population of Transylvania is composed of 5.5m Romanians, 1.7m Hungarians (not 2.1m, 2.5m, 3m, or 3.5m, as variously given), and 300,000 Saxons.

Transylvania became self-governing, and, then, joined Romania, on the strength of the 14 Wilsonian principles, by the will of the people, at the end of the First World War. It will be a sad day for liberty and for self-determination were these Hungarian charges to remain unchallenged in the Congressional Record of the greatest parliament in the world!

Please let me know if you are prepared to look into this matter further. (I enclose a brochure on the subject).

I shall be happy to come and see you when convenient.

THE ROMANIAN MISSIONARY SOCIETY,
Wheaton, Ill., July 9, 1983.

Hon. SAM M. GIBBONS,
Chairman, Subcommittee on Trade, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Once more, the American leaders have to face the difficult task of deciding the "pros" and "cons" of helping or even rescuing a failing Communist Regime, that of Romania.

We are here to testify in this case and to give our opinion about it.

As a Christian Missionary Organization, we are concerned primarily with the issue of religious freedom, or the lack of it, in Romania.

There has been no improvement in this area in the past year. We are enclosing a copy of a letter sent to the Romanian President, signed by 66 Romanian Baptist pastors, showing seven areas of outstanding grievances of the Romanian Baptists. Instead of receiving an answer to this letter, the signators were interrgoated, threatened and blackmailed to withdraw their signatures from the document.

This year new cases of blatant persecution have occurred. For example:

1. Pastor Paul Negrut, of the Baptist Church of Oradea, had a house search without a warrant in April 1983. Since then, he has been under investigation with the allegation that he is "usurping a function" by functioning as a pastor without a State license.
2. Members of the Baptist Church in the town of Petru Groza saw their sanctuary demolished in March, 1983.
3. The Baptist Church in Aradul Nou saw a bulldozer destroy a part of their church building this spring.
4. The Baptist Church of Beius had their sanctuary closed and sealed recently. They cannot meet for worship, and the seal was placed on the door for everyone to see, as a symbol of the "freedom of religion" in Romania.
5. The Baptist Church in Calacea is under the threat of being demolished.
6. The Baptist Church No. 5 in Timisoara was refused a State license and is being fined for 3,000 lei every month (approximately the monthly wages of two persons), because they continue to meet for worship.
7. In the last few months, a vicious campaign is being carried out on the State radio and television against religious "sects" or "repenters". The context makes it more than clear that they are speaking about Romanian Evangelicals (which include the Baptists, Pentecostals, Plymouth Brethren, and the Seventh Day Adventists). They are accused of ritual murder of their children, of orgies with incest, and of many other such horrible things. The purpose is to turn the population against the Evangelicals and generally, to alienate the population from all religion.

These are just a few of the most shocking things which are going on in Romania.

But we have to add that not only religious people are persecuted in Romania. The whole population is under a brutal oppression. Any opposition to the Regime or even the slightest divergent opinion is brutally crushed.

In this respect we have to disagree with our Hungarian friends in the West, who present the situation in Romania only as persecution of the Hungarians minority in that country. Yes, it is true that the Hungarians are persecuted, but so are the Romanians. The Romanian dissident Paul Goma, in a famous pamphlet written in

1977, said it clearly: "While the Czechoslovaks are persecuted by the Russians, the Romanians are persecuted by the Romanians."

Of course, the Hungarians feel it is more of an ethnic persecution, but the Romanians of Transylvania are no better off than the Hungarians.

In my opinion, the mistake made by Hungarians who fight for more freedom in Transylvania is that instead of keeping it as a fight for more human rights, they transform it into a fight for the separation of Transylvania from Romania. At that point, ALL the Romanians turn against the Hungarians, as a defense of their national entity and integrity.

And that clash is nicely exploited and secretly nourished by the Soviet Union, who exploits this animosity between the two countries and nations as an effective tool for their own domination of them.

Judging from their record on human rights, the Romanian Communist Regime does not deserve any concessions or assistance, and if we looked only at that, we would be the first ones to declare: "Do not give them trade concessions."

But the decision in this matter has to be taken after a deeper and broader analysis of the whole situation.

We suggest two further considerations in this matter:

1. It involves not only a handful of people who oppress everyone else. It involves a whole oppressed nation on the brink of starvation.

The Communist system has succeeded only in ruining the economy of the country. Romania, with a debt of over ten-billion dollars to foreign states and banks, was already at the brink of bankruptcy at the beginning of 1982. A very good harvest that year improved the food situation slightly. But now a devastating drought is threatening to bring terrible starvation.

Can we cynically say: "Let them go into total disaster because it may precipitate a revolt and a complete change of the system?" We may be sure that, without the proximity of the Soviet Union there, the Romanian Communist Regime would not last for 24 hours. But, located where they are, a revolt would only bring the Russian armies in, as in Hungary in 1956, and in Czechoslavakia in 1968!

2. How could the United States better help a nation like Romania?

Please, do not forget that Romania was given to Stalin in the Yalta Agreement. For about 25 years after that tragic day, the United States had practically no involvement there. Then, President Nixon decided to break through. He went to visit Romania. One should see a film of that visit, to realize what a fantastic joy and hope it produced.

Yes, the Romanians, like all the other enslaved Eastern European nations, have only one hope: The United States of America!

Will this unique bastion of freedom decide to pull back again from there completely and leave the Romanian people at the mercy of the Russians? That would be the real meaning of the cancellation of the Most Favored Nation Clause.

Any economic help given to Romania may be seen—on the surface—as a help to a Communist regime. But an increased presence of the United States there, means increased power of the leaders of this country to alleviate the present human rights situation and, much more importantly, it means encouragement for the Romanian to hope for freedom. It means a greater chance for us in the Free World to communicate to the Romanian people the American values of freedom, democracy, and human dignity.

In conclusion, our plea is: Please, do not pull back from Romania, but find ways of getting more involved, and use more efficiently both the chance of an immediate improvement, and the long-range chance of working for the freedom of Romania and of the other captive nations.

Respectfully yours,

JOSEPH TON, *President.*

NICOLAE CEAUSESCU,
President, Socialist Republic of Romania

YOUR EXCELLENCY, MR. PRESIDENT: With special respect and consideration, we, the undersigned citizens of the Socialist Republic of Romania and pastors of the Baptist denomination, appeal to you and wish to bring to your knowledge some major problems which are the cause of constant sorrow and dissatisfaction in our denomination.

We want to mention first that we have addressed these problems many times to the leadership of the Baptist Union and to the Department of Religions—both in writing and verbally—but so far we have not had any results.

We appeal to your good will and generosity for a solution, in the spirit of the laws of our country and of the constitution of our denomination, of the following problems:

1. The authorization of the legally constituted churches.

Due to the freedom to practice religion given to our denomination by the constitution and by the laws of the country after 1944, we are happy that our churches function with equal rights with the other denominations in our country. But in different parts of the country there are groups of Baptists who hve legally constituted themselves in churches, and practically they are Baptist churches—but the Department of Religions arbitrarily refuses to give them the authorization to function legally.

This way there is a discrimination inside of our denomination: some Baptists in some places have the right to meet for worship and others, in other places, because of lack of authorization, are constantly fined when they are found in a meeting for prayer and worship.

2. The authorization for building new churches, for repairing the existing ones and for purchase of buildings to be used for church services.

Many of the existing church buildings are unhealthy and totally unfit for religious services.

These cases have been well-known for many years by the leadership of the Department of Religions and by the local authorities, who sometimes agree in principle that a new building is needed but never give an authorization for a new building or for the repair of the existing one.

Another aspect of this problem is the fact that we are not allowed to buy buildings and to register them as property of the authorized churches.

3. The possibility of training and employing new ministers for the present needs of our churches.

The one thousand churches of our denomination are left today with only 160 pastors, and some of these are at the retiring age. We ask for the approval to increase the number of students in our Seminary, where at the moment we are permitted to have only five students.

We also ask for the right of our churches to employ pastors even without theological training, out of the ranks of the members of our churches.

According to the present rule established by the Department of Religions our denomination is permitted to have only a limited number of pastors for the whole denomination, so that in some cases a man has to be pastor for 10 to 15 churches. We ask for a revision of this rule.

4. The ratification by the State of the leaders elected in our denomination.

There are many cases of pastors who were elected as leaders in local associations of churches or in the leadership of the Baptist Union, but the State authorities refused to ratify their election, and so they cannot function in these positions. This refusal is never substantiated. On the other side, older leaders are kept in key positions long after their mandate has expired—people who are compromised and not accepted by the believers.

We beg you to dispose that our denomination receives the approval to have an elective Congress. The present leadership of the Baptist Union had its mandate expired for more than two years.

5. We beg you with respect to order an end to the present campaign of smearing the Baptist pastors and believers in the official press.

6. We appeal to you for our constitutional right to use the money of our churches with no outside interference, but only with the approval of the local church business meeting.

7. We ask for the right to print Bibles in the country or to locally import them.

Dear Mr. President, we appeal to you with these problems whose solution we have been waiting for many years. We count on your broad understanding and on your authority to order the positive solution of our pleas.

We want to assure you that we, the signatories of this memorandum, and the belivers who are members in our churches, are loyal citizens of our country and we contribute to the general prosperity and welfare of our country.

We thank you in advance for your good will and understanding.

With special esteem and respect.

——, ——.

APPENDIX

As soon as this letter was sent to the President, the Secret Police started to interrogate the signatories and press them and black mail them to withdraw their signatures.

A case in point is Pastor Titus Mihet from Zalau. This church just bought a house and they were transforming it into a church building. The local Secret Police and higher authorities took pastor Mihet to a long discussion and threatened that they would demolish that building which was almost ready to be inaugurated as a church auditorium. They also told him that if he gave them a statement that he withdraws his signature from that letter to the President, he would be given permission to finish and inaugurate the new church. He was broken into signing that statement.

But his church committee were so disturbed and upset by their pastor's compromise that they decided he was no longer fit to give communion to the church. For two months they did not permit him to administer communion.

A similar thing happened to Pastor Mihai Mihut of Resita. He signed a statement that he withdraws his signature from the letter to the President after he was promised that he would be given authorization to build a new church auditorium for which his church has been applying for the last 20 years. The authorization was not given to him.

Another case was that of the Hungarian pastor in Lupeni. For many years he was struggling to get authorization to open a Hungarian-speaking church in town (the Hungarian Baptists were worshiping in the local Romanian Baptist Church). The State authorities came to him with the actual authorization for a Hungarian Baptist Church and told him that if he signed that statement saying he withdrew his signature from the letter to the President, they would give him that authorization then and there. He signed the statement and got the authorization.

A similar thing was done with Pastor Peter Dugulescu, whose Baptist church of 500 members has to squeeze into an auditorium of 150 seats and who fought for many years to get authorization for building that church and was promised that they would give it to him if he signed that statement. Pastor Dugulescu refused to sign it. As a consequence, the Department of Religions in the Government informed him that as long as he remains pastor in that church (in the town of Hateg), the church will not get that authorization to build a new church auditorium.

In all, 10 pastors withdrew their signatures from the letter. There are still 56 valid signatures on the letter which remains in the President's possession.

The President has never answered the letter and there are no signs that the State authorities are willing to solve any of the seven major problems the pastors speak about.

CONSILIUL NATIONAL ROMAN

ROMANIAN NATIONAL COUNCIL
NORD AMERICA SECTION
SECTIUNEA AMERICA DE NORD
A NON-PROFIT ORGANIZATION -Reg.Book 088 Page 623/1978,N.J.
ID # 0100085308

THE EXECUTIVE BUREAU
105-44 107-th St..Richmond Hill,
New York,N.Y.11417
Tel.(212) 641-5008

July 11,1983

COMMITTEE ON WAYS AND MEANS,
U.S.HOUSE OF REPRESENTATIVES,
Room 1102,Longworth House Building,
Washington D.C.20515

STATEMENT

of Dr.Alexandru Bratu,Ph.D. in Law and Economics;
-President of the "Romanian National Council-Nord America Section";
-Coordinator of International Affairs of the "World Anti-Communist Action Front"(WACAF);
-Playwright,member of ASCAP-"American Society of Composers,Authors, and Publishers" ;
-Active member of "New York Academy of Sciences";
-Former assistant professor at Law School of Iassy University-Romania, Lawyer,and Economist.

HONORABLE CHAIRMAN,AND DISTINGUISHED MEMBERS OF THE COMMITTEE:

The "Romanian National Council ",founded on June 3,1978,is a general organization of Romanian in exile,whose goals are to promote the ethnic values of Romanian Culture,and to struggle for Human Rights of the Romanian people who want to set free Romania from the totalitarian communist system,and to defend the historical Romanian territories. All Romanian freedom fighters and the anti-communist former political prisoners cannot forget that the Romanian provinces BESSARABIA,NORTHERN BUCOVINA and HERTZA county were forcibly annexed by U.S.S.R. in June 26,1940,as a result of the infamous Pact Molotov-Ribbentrop,from August 23,1939,and after August 23,1944,with the consent of the Western Powers and even that of the Romanian Communist Party's chiefs,who were and are obedient subservients to the Kremlin chiefs,as Soviet satellites.From that time forth 3,500,000 Romanians from Bessarabia, Bucovina and Hertza,and other 23,000,000 Romanian people from inside of Romania need the freedom from fear,because each man is suffering from a constant fear of being investigated and sentenced to prison with every word or gesture suspect.
To become precise,I would never do anything to harm the interests of Romanian people,but I urge you to think about the implications before deciding to continue the preferential treatment to Romania of today.-Even the president of Socialist Republic Romania and first secretary of the Romanian Communist Party-Nicolae Ceausescu- declared that:"In Romania is no place for other kind of participation and other democracy,than the democracy of the workers class of people who build the socialism and the communism "(February 18,1977).

..//..

It is well-known that the communist chiefs are a kind of oligarchs, who hold the power and exercise it having enormous privileges.The political discrimination between the communist party's members and other people is so obviously,that let to the last ones the general feeling of injustice.From a rich country of another time,Romania became a country of hunger and sadness.Many people would like to leave the country,but they couldn't obtain the proper forms to apply for a passport,and even the members of the communist elite would like to leave Romania and they did at the first occasion being abroad.
It is common knowledge that very large loans have been made by the United States and western banks to the countries of Eastern Europe which are governed by communists.What is the reason of such loans? Are U.S.A. and other Western governments hoping that these loans would stabilize conditions of life in the countries which are Soviet satellites,in order to discourage popular revolts against their communist governments?To whom is this useful ?
The answer is:Only to the Soviet Union Empire in order to conquer the entire World by "external encirclement,internal demoralization and thermonuclear blackmail".
Based on these reasons,The"ROMANIAN NATIONAL COUNCIL -AMERICA SECTION" ask for that the "Most Favored Nation "treatment to the Socialist Republic of Romania must be conditioned by the respect of the following measures:
a.-To stop the cruel exploitation of the Romanian workers;
b.-To permit the Free Unions of Romanian workers and intelectuals;
c.-To release from prison the political prisoners who are still detained in jail or in mental hospitals,and forced labor camps;
d.-To permit the worship of the Romanian Catholic Curch of Byzantine Rite,which was interdicted starting with December 1,1948;
e.-To accept the free association and activity to other political democratic activities,not only for those of Communist Party;
f.-To permit the families reunification and free commnunication of Romanians with other countries;
g.-To stop the political discrimination inside of Romania between the Communist Party's members and the Romanian opponents and dissidents;
h.-To proclaim that the years served by political prisoners and by prisoners of conscience in jails,psychiatric hospitals,forced labor camps and force residence,to be taken into the amount of their retirement plans as "years served into work's field ",or "in the pension's plans of widowed wives or orphaned children"(2-nd case of decease);
i.-To restore the "Human Rights" in Romania under permanent control of an United Nation Commission of Human Rights.
In order to give some more and precise information about the disrespect of the elementary Human Rights and cruel terror exerced by the communist dictatorship in Romania today,I cite now some of these cases which are showing us that the Communist Government of Romania is in a continuing violation of the Helsinki Pact from 1945:
1.-Constantin Dumitrescu,a former lawyer and Secretary of 2-nd Sector Bucuresti of National Peasant Party,now 69 years old,who served 15 years in communist jail (1948-1963),and after that was sent to forced residence in Latesti -Baragan,where he remained after 1964 as a protester,was arrested again in 1976 and sent to the mental hospital of Poiana Mare,district of Dolj,because he wrote a political essay entitled "THE DENIED DIGNITY",in spite that it wasn't published.Now he is kept under guarded vigilance in Bordusani village,district of Ialomita,nobody having the possibility to see and speak with him.
2.-Rev.Gheorghe Calciu-Dumitreasa ,a former political prisoner from Pitesti and Gherla Jails,who became an orthodox priest at Radu Voda Church and professor in Seminary School from Bucuresti,was fired on May 17,1978 because he deplored the demolition of "ENEI CHURCH" from

Bucuresti,and "DOMNEASCA CHURCH" from Focsani,and in 1979 he was convicted to 10 years of prison for "propaganda against socialist order" because in one of his sermons about atheism and Faith,he named the "materialism "system as a "Philosophy of Despondency".

3.-Gheorghe Grecu,born on May 27,1913 and his wife Maria Grecu (maiden name Chicos),born on June 10,1916,made many interventions to the Romanian authorities in order to abtain the proper forms to leave Romania for family unification with their daughter DOINA COSIMBESCU (maiden name Grecu)-residing at 8 East 48 St.Apt.4 B,New York,NY.10017 but they had received only refusals,with no explanation.Mr.Gheorghe Grecu was a political prisoner anti-communist for 15 years in jail, -1948 -1964,and he is under continuing harassment of Securitate police.They are living in Bucuresti-Romania,Apusului St.#48,Bloc 47,Sc.2, Apt.35,Sector 6,with their son CORNELIU GRECU,born on May 15,1946, married with Maria Grecu,born on Oct.19,1952,both electronists,with two children:George-Lucian Grecu,born on May 24,1978,and Alexandru-Cosmin Grecu,born on June 1981.

Mr.and Mrs.Corneliu Grecu also applied for passports to leave Romania for family unification reasons,but they received three negations. The same situation is with MIHAI GRECU,a structural engineer,born on Sept.30,1955,who received two negations,and also with RAZVAN GRECU,a geologist engineer,born on Oct.1,1943,brother of Mrs.Doina Grecu-Cosimbescu,married with RODICA GRECU,an Accountant,born on July 19,1953, with theirs daughters-ANA GRECU,born on April 15,1975,and MIHAELA GRECU,born on May 1977,all residing in Bucuresti-Romania,at Baba Novac St.#21,Bloc G11,Apt.50,Sector 3,who received five negations for the applications form to leave Romania.

4.-Mrs.GABRIELA IONESCU (maiden name Stamate),born on Aug.4,1958,who is a student at the "Ion Mincu" Institute of Architecture from Bucuresti and applied for family unification with her husband Dan Ionescu, a political refugee residing at 395 Stratford Rd.,Apt.E 2,Brooklyn, N.Y.11218 (tel(212)462-5171 and is working with A.C.Interior Planners Ltd.-43 Park Place,NY.10007,received three refusals of proper forms.

5.-STEFAN ZISSU,a technician constructor,born on May 25,1943,residing at Centurii St.#1,Bloc 16 B,Apt.37,Bucuresti-Romania,with his son IOAN NICOLAE ZISSU,born on Oct.11,1975,in Bucuresti,aplied for family unification with Mrs.NINA ZISSU (maiden name Ferariu)an engineer born on Oct.26,1948 who is a political asylum refugee in the United States residing at 43-10 49-th St.,Apt.1 H,Sunnyside,New York ,NY.11104,but did not yet receive the proper forms for passports to leave Romania.

6.-Marinescu Ilie,a medical assistant and judo trainer,43 years old, with his two minor children-MARINESCU MIRCEA,born on Nov.18,1968.and MARINESCU GABRIELA-CRISTINA,born on Nov.7,1969,residing in Bucuresti-Romania,Calea Grivitei #101,since 1979 asked for applications forms to leave Romania for the United States-being sponsored by me as cousin but received until now eight refusals,because he refused to become an informer of the Security Police of Communist Romanian Party,and Militia Police,in order to act against his own conscience.

In CONCLUSION ,evrything in Romania under the communist regime is disperately,false and ugly,and we strongly express our hopes that the U.S.Congress will not grant anymore the Most Favored Nation's Clause to a tyrranic communist Government who murderously undermine the future generation with its Marxist-Leninist education ,atheism and political discrimination.Communism is a cause,not a cure of discrimination,poverty and oppression.

GOD BLESS AMERICA !

Alexandru Bratu

Dr.Alexandru Bratu

SERVBEST FOODS, INC.,
Highland Park, Ill., July 9, 1983.

Mr. JOHN J. SALMON,
Chief Counsel, Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR SIR: When Most Favored Nation status is granted by the United States to a country, such status should continue so long as normal diplomatic relations continue with the favored nation.

Most observers of international politics believe that bilateral trade encourages harmonious political relationships; so international trade should be encouraged. And international trade requires reliable, responsible duration. Hence, current practices of the U.S. Congress which require annual review of some MFN treaties are counterproductive.

U.S. companies engaged in import/export trade, such as this Corporation, identify short term tariff arrangements as a substantial impediment to trade. It is illogical in today's complex business climate to conduct foreign trade in short time spans. Manufacture, delivery and marketing activities now extend to such time length that the risk of changes in tariff rules inhibit or eliminate trade opportunities.

MFN treaties should be abrogated only if pre-defined violations occur and are not remedied within a prestated time period.

Trade cannot function without mutual dependability. Dependability of specifications, price, delivery, tariff schedules. When the U.S. Congress removes "dependability" from tariff rates, imports falter. And when the country exporting goods to the U.S. cannot conclude medium and long term sales contracts, it generally cannot commit for medium or long term import purchases. Exports and imports are interdependent because most importing countries require external sales markets to earn hard currencies.

Besides the commercial advantages of bilateral trade, there are incidental political and defense benefits. As a professor of foreign trade stated decades ago at University of Illinois, "International commerce promotes international peace—because no seller shoots a good customer".

Your truly,

WILLIAM E. KENTOR,
Chairman.

STATEMENT OF VALENTIN V. STANTON, MIAMI, FLA.

The witness is a long-life, intimate friend of the persons for whom this statement is presented: Dr. Victor Francisc Ghetie—principal; 32-34 Balcescu Blvd. Ap. 34, Bucharest, Romania—Stella Zinaida Ghetie, wife of Victor Ghetie; Stella Alexandra Ghetie, daughter of Victor Ghetie; Marius Daniel Ghetie, husband of Stella Alexandra Ghetie; and Dora Ghetie, daughter of Victor Ghetie under age.

STATEMENT

The government of the Socialist Republic of Romania is brutally breaking the Helsinki Final Act provisions on emigration in the case of Dr. Victor Ghetie, one of the most fruitful and innovative contemporary Romanian scientists and a man of rare moral integrity and intellectual stature.

Dr. Ghetie and his family are in possession of an emigration entry visa for the United States. On September 27, 1980, he applied for a Romanian exit visa to emigrate to the United States with his family (file No. 49/026131). The exit visa has been denied them at least seven (7) times without any ground or explanation (on December 30, 1980; on March 25, 1981; on June 15, 1981; the last time I know of in June 1982). What is more, Dr. Ghetie and his family have been subjected to vicious and cruel persecutions aimed not only at destroying their desire to enjoy the human rights that their government is denying them but ultimately to destroy them physically. I quote a few examples:

1. Dr. Ghetie has been demoted from his position and obliged to perform unskilled jobs;
2. Although he was the actual writer and first author of a book being printed at the time of his application, his name was removed from the list of authors, and he was made to publish his book as the work of others;
3. He has been forbidden to publish at all either in Romania or abroad. When a scientific event brought scientists from abroad to Bucharest, Dr. Ghetie was trans-

ported and confined far from the city, to prevent foreign scientists from contacting him;

4. His wife was deprived of her 15-year-old tenured faculty position and made to work as an unskilled laborer (packaging) in spite of bad health;

5. His daughter was expelled from medical school by Decision No. 174 of March 11, 1981 for "having applied for an emigrant visa".

It has quite often not been possible for me to contact Dr. Ghetie by telephone, and I suspect that preventing him from having contacts is part of the persecutions organized by the government of the Socialist Republic of Romania against him. I also suspect that the persecutions against him and against his family have continued even more cruelly while I am left without news of him.

SUMMARY AND RECOMMENDATIONS

I urge that the Trade Act waiver be not extended unless the government of the Socialist Republic of Romania grants Dr. Victor Ghetie and his family their human rights, stops persecuting them, and issues them the exit visa they are seeking.

Statement of Ilona Boissenin, the Transylvanian World Federation

Mr. Chairman, thank you for this opportunity to make a statement on MFN and emigration under the Trade Act of 1974.

In 1979, the Washington Representative of the U.S. Branches and Affiliated Organizations of the Transylvanian World Federation learned that the position of the Romanian Desk at the State Department was that there are no Hungarians in Romania, only Hungarian-speaking Romanians. Since that time, about 8,000 copies of the 16 issues of The Transylvanian Quarterly have been delivered to each member of Congress, the President's office, the Department of State and into various files of Committees, in order to aquaint U.S. officials of the extreme cruelties and injustices perpetrated upon the c. 3 million native Hungarian population of Transylvania, the North-West Sector of Romania. Petitions to the President and the Members of Congress were recently delivered to each member of Congress and the President to include at least the rest of the provisions of the Third Basket of the Helsinki Accords in the Trade Act of 1974.

Until the Trade Act of 1974 is updated to ensure that emigration of one people is not at the expense of another people, the consideration of emigration as the only human right is unjust.

Last year the United States renewed MFN to Romania for one more year in order to give Romania a chance to improve its emigration practices. What did Romania do? Beside withdrawing food and medicine from its own citizens, besides arresting and torturing those who dared to speak up for their right to freedom of speech and worship? In February 1983, the government of Romania implemented the education repayment decree of November 1, 1982 by imposing a requirement that any citizen wishing to emigrate must repay in convertible currency the cost of education beyond the compulsory level (10 years of schooling). The government of Romania flaunted this in the face of the world as if to ask: "What are you going to do about this, USA?"

The President of the United States did what Public Law 93-618 required. The President announced on March 4, 1983 his intention to terminate MFN status for Romania on June 30, 1983 if the tax was still in force by that date. Since that time the President has received assurances from the President of Romania that Romania will not require reimbursement to the State of education costs as a precondition to emigration. Having done this, Romania was so sure of its favored position with the United States that on the anniversary of the annexation of Transylvania to Rumania, on May 10, 1983 the president of Romania declared in his speech, heard by millions of people: "Contrary to the principles of Marxist Socialism, the glorious achievements of our Rumanian socialism are soley for the benefit or our own Rumanian brothers and sisters, and in no way can benefit those foreigners who lurk in the dark corners of our beloved country! Tell them, wherever you happen to encounter one of those Hungarian dogs, that they have no place under the Rumanian sky! They can be nothing more in our land but slaves! Unless they change their names and prove themselves good Rumanians, not even their children's children will ever be more in this land of ours than lowly beasts of burden, carrying rocks for our pyramids of the glorious Rumanian future."

This statement opened the way to pit Romanian against Hungarian, Romanian Americans, Hungarian Americans, Jewish Americans against each other in the Halls of Congress. It opened the way for the United States to choose by the provisions of the Trade Act of 1974 the freedom of one people at the expense of another people.

Then, providence stepped in.

The Supreme Court Ruling of June 23, 1983 renders Congressional legislative veto unconstitutional. Section 402 of the Trade Act of 1974, from which the President derives his authority to terminate or recommend the extention of Most Favored Nation treatment to non-market countries (based on emigration from the Jackson-Vanik Ammendment) is provisional on Congressional legislative veto. Therefore, as of June 23, 1983 the President's recommendation to extend MFN is without basis of law. In fact, the Trade Act of 1974 itself is unconstitutional, therefore the extention of MFN is illegal.

Providence gave us a second chance, let's use it wisely.

STATEMENT OF ILDIKO TRIEN, NORTH CALDWELL, N.J.

It is little more than a decade since Richard Nixon visited Romania and the work to establish good relations between America and Romania began. During the administrations of four American Presidents, with all the ups and downs of relations between these two countries, I tried in a small way to help this subcommittee better understand Romania and the realities of that part of the world.

I grew up in the Romania of the 50's, in the middle of the Cold War. My father spent ten years in a prison camp for the crime of being rich. Those were not only hard economic times, they were times of fear, lies, and the distortion of history. I had a bad social status because of my bourgeois family. It was a time when the simple fact that you had family in the West jeopardized your freedom. Some of my family still lives in Romania (they are not and never have been members of the Communist party.) No child of theirs should have to experience that fear.

More than anyone I understand what reunification of family means. I was separated from my father, but I had no forum or panel to talk to. I had barbed wire to reach through to touch him.

Not that far back, only eleven years ago, my husband asked Senator Clifford Case for help in a Romanian emigration problem. The Senator's reply was, "Sorry we cannot do anything. It is a Romanian internal matter." Today what a big difference. In the last six months we saw the Romanian government impose an educational exit tax. We saw President Ronald Reagan react by announcing that he would not request the waiver under Section 402. It is because Romania had enjoyed MFN status and its benefits and could calculate the economic costs of losing that status that Romania abandoned the exit tax proposal. I do not think it was an easy decision, but they made it. It is not only Romania that has a problem with the "brain drain"; most of the developing countries of world have the same problem. The United Nations had a special session regarding this issue. I do not know how to protect the rights of the children of the developing countries. Don't they have the right to grow up with medical care, good doctors, the right to education to develop their minds, the right to good teachers? Of course, no exit taxes and no laws will solve this problem. But it is a problem that is not unique to Romania and we should understand their action, as wrong as it was, in the context of the problems that they are trying to solve. Hopefully, cooperation and the free exchange of ideas will help.

Economic leverage, properly and strategically implemented, is a very powerful force. But America has to decide how it is going to use this power in Eastern Europe. America should want to be able to distinguish between the countries in that area of the world. We must have the ability to reward conduct that is movement in the direction we support.

It is clear that Russia has economic problems and that here is probably one of its weakest areas and our strongest. To refuse now to play this economic card with certain Russian satellites is to neglect an opportunity. This is not conjecture. Romania changed direction in an area that they considered strictly an internal matter. This proves that we do have a way of showing the world what is important to us and that we are willing to pay an economic price to support those values. By this conduct, we can influence the world.

It should be obvious from my remarks that I still support the waiver. The events of the last six months have proved the usefulness of this agreement.

TRUTH ABOUT ROMANIA COMMITTEE,
New York, N.Y., July 18, 1983.

Mr. JOHN J. SALMON,
Committee on Ways and Means,
Longworth House Office Building, Washington, D.C.

DEAR SIR: This statement by Truth about Romania Committee is part of the public hearings regarding the extension of Trade Act of 1974 to Romania, in lieu of personal appearance.

Mr. Vlad Angelescu, Secretary, is an American citizen.

According to authoritative, independent sources R.S. Romania has the most repressive regime of any East European communist country.

People are arrested and detained incommunicado indefinitely, without due judicial assistance. Father George Calciu, a fighter for religious freedom, was convicted in a secret trial to 10 years in prison for the sole guilt to have preached the Word of God and for having taught that love must replace hatred. In R.S. Romania the Bible is prohibited and its possession is deemed a crime. Those who brought Bibles from abroad are treated as smugglers and put in jail. On Christmas and Easter days the people are forced to work and the children confined into school in order to not attend mass.

All international mail without exception is opened and censured, telephone calls are recorded and in some cases interrupted.

The freedom of speech, assembly, peaceful demonstrations, association, Habeas corpus, etc. has been completely suppressed. Virtually all the human rights stated in the International Bill of Rights (which Romania is a signatory) are systematically and roughly violated.

Should the Romanian communist dictatorship be rewarded for such a grim record?

The so-called "independent" foreign policy of R.S. Romania turned out to be merely a bluff, concocted in Kremlin in order to siphon Western currency, which eventually are converted into Soviet arms.

The truth about Romania Committee believe the U.S. Congress could have a major contribution to the advancement of human rights in R.S. Romania. It has full authority to request the Romanian government, in return of preferential economic status, to honor its signature and comply with the human rights commitments clearly specified in such treaties and international agreements, as: (1) Art. 31 of The Treaty of Peace with Romania from 1947; (2) Art. 55 of United Nations Charter; (3) The International Convenant of Civil and Political Rights (ratified by R.S. Romania by Decree 212/Oct. 1974; (4) The Final Act of Helsinki Conference.

We are convinced that R.S. Romania's human rights record could and should be improved by appropriate actions taken by U.S. Congress and Government, at least to the level existing today in other Soviet bloc countries such as Poland, Czechoslovakia or Hungary.

Trusting that you will give positive consideration to our plea we remain,

Very sincerely yours,

VLAD ANGELESCU, *Secretary.*

STATEMENT OF H. K. BABOYIAN, UOP, INC.

I am H.K. Baboyian, Vice President of UOP, Inc. I am pleased to have this opportunity to support President Reagan's recommendation that an extension of the waiver authority for the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China, be granted under Section 402 of the Trade Act of 1974.

UOP is engaged in the development of energy technologies, engineering services, and manufactured products on a worldwide basis. We have done business in Romania for almost half a century and we are convinced that the results for our firm and Romania have been mutually beneficial. Our business relationship with the People's Republic of China began shortly after the signing of the Shanghai Communique and has been excellent for both parties. Our interests in Hungary have also been longstanding and of mutual benefit.

Romania has significantly adapted its foreign trade relations to Western business conditions. As a result, U.S. companies have increased their share of Romanian trade done with the West, especially since 1975 when Romania first achieved Most Favored Nation status.

In 1982, the U.S., formerly Romania's third largest supplier, exported only $223.2 million worth of goods and services, down quite substantially from the 1981 levels.

Our overall trade turnover fell from $1.06 billion in '81 to only $0.56 billion in 1982. This was due to the general worldwide economic sluggishness. However, denial of MFN would even more gravely jeopardize Romania's ability to compete and pay its debts, not to speak of the continued loss of a lucrative market for U.S. firms.

Denial of MFN status to Romania would unnecessarily penalize a good trade partner and damage its credibility among its Eastern European neighbors. Conversely, MFN status, if granted once again, would provide Romania an important political and economic goodwill rating.

With respect to our trade with the People's Republic of China and Hungary, here improvements in trade have been steady. United States-China trade has increased sharply, in 1982 and in the first half of 1983. The Administrations decision to upgrade China's status vis-a-vis technology it can receive is a further indication of excellent trade and political relations.

Most Favored Nation status would not, as the term implies, extend any special treatment to these countries. It would merely continue to recognize them as good trading partners—partners dealing in good faith, both in terms of their adherence to international agreements and nondiscrimination against U.S. goods and services, and as partners that exercise international competitive practices that we in the private business world value as a true measure of free trade.

UOP Inc. believes that continued Most Favored Nation status will further strengthen and facilitate business between the Socialist Republic of Romania, the Hungarian People's Republic, the People's Republic of China, and the United States. Therefore, we support President Reagan's recommendation for a further extension of the authority under the Trade Act of 1974, to waive the freedom of emigration requirements under Section 402, and for continuation of the waivers applicable to these countries.

Continued Most Favored Nation status for these countries is an important, symbolic and practical decision to show these nations that they have their place among our valued trading partners, as well as a bold sign to the world that the United States is willing to register such friendship publicly.

Statement of Stephen Gans, President of Vitco, Division of Vitreous International Trading Co., Inc.

I am Stephen Gans, President of Vitco, Division of Vitreous International Trading Co., Inc. and whose business volume with Romania will approximate $12,000,000 of window glass, wood products and ship chartering.

I wish, respectfully, to urge the adoption of continued most favored nation (MFN) status for Romania. MFN status for Romania makes sense from many different standpoints and has several significant advantages to the United States with virtually no material detriments.

For example, it is certainly in our national interest to assist this east European country in its attempts to obtain increasing measures of freedom from external influences on its economic and political life. MFN status contributes to this important objective by encouraging Romania in its trade with us and by according Romania greater access to the marketplace in the United States. Such trade, however, is by no means one-sided. Indeed, at a time when there is great sensitivity over balance of payment questions, it is refreshing to observe that Romania continues to import at a greater rate from the United States than it exports, thereby stimulating American commerce, industry and employment. In addition, the Romanian products which we import are used principally in the construction industry, an industry beset with inflationary pressures. These products, of necessity, would cost the American consumer more if an increased duty had to be absorbed.

I also wish to observe that the question under consideration is not whether MFN status should be granted to Romania for the first time but, rather, whether such status which has already been granted should be continued. In view of this circumstance, a failure to endorse continued MFN status might be considered by the Romanians as an undeserved rebuke of a good trading partner and as a substantial diminution of our desire to encourage Romania's developing cordial relations with the United States. If interpreted in this manner, the failure to endorse continued MFN status for Romania could have undesirable ramifications going far beyond mere questions of trade.

Finally, I would like to note that our small business has been dealing with Romania on a steadily increasing basis for about nine years. During this period, I have traveled frequently to Romania and have become acquainted with many of their business people. I am pleased to report that, in general, I have found the Romanians with whom I have dealt to be progressive, hardworking, and open-minded. I genuinely believe that it is in our national interest to encourage Romania to continue to strengthen its economic ties to the United States and that continued MFN status for Romania will go a long way in that direction.

Thank you for your courteous attention.

STATEMENT OF ILYA LEKUCH, SENIOR VICE PRESIDENT, WJS/MOODY INTERNATIONAL CORP.

Good Day. I am Ilya LeKuch, Senior Vice President of WJS/Moody International Corp.

WJS/Moody International is an accredited American export and import representative organization maintaining a full time operational office in Bucharest, Romania with four employees. We first started to conduct business in Romania in 1965. We have also been active in The People's Republic of China since 1972.

My remarks today are directed towards extending the Most Favored Nation Status waiver for Romania. I also support an extension for China and Hungary as well.

In Romania, WJS/Moody International Corporation represents the interests of over 20 American companies. We promote the sale of their equipment and technology to various end-users in Romania. We also purchase, from Romania, electronic components, oil field equipment and other products.

Over the past five years, starting January 1, 1979, I have personally spent approximately 28 months in Romania negotiating business transactions between our company and various Romanian Foreign Trade Organizations.

In 1982 Romania was faced with a very difficult economic situation and because of that our exports to Romania in 1982 have decreased in comparison to 1980 and 1981. In 1982 the Romanian government has made the necessary adjustments in their economic policies, increased their marketing activities in the United States in order to earn more dollars to pay for equipment, spare parts and raw materials which they desperately need to keep their economy going. Romanian policies have worked and in a relatively short period of time (1.5 years), we are already seeing increases in our export sales to Romania in comparison with 1982.

Nevertheless, most of the contracts today between American companies and Romanian Foreign Trade Organizations have a stipulation of counter-purchase obligation. Under these circumstances the failure to extend Most Favored Nation Status for Romania would have a significant negative impact on the overall trade between the United States and the Socialist Republic of Romania because it would result in higher tariffs for Romanian goods.

I sincerely believe that Romania wishes to purchase goods from the United States. They trust American equipment and technology. The Romanian people are very friendly to all Americans, and Romanian officials in the business and political sectors in Romania refer to Americans as long term friends. I personally made many friends in Romania from every walk of life; doctors, engineers, workers. Many of them I can truly call my friends.

World peace and stability are other important factors which justify the extension of Most Favored Nation Status for Romania: Romania plays a significant role as a world mediator and I believe conducts a foreign policy independent of other Eastern European Bloc countries.

WJS/Moody International is presently discussing many large long-term projects in Romania and together with several Romanian enterprises we are involved in large scale projects in third countries. We feel that many of these projects will come to a successful conclusion but their success will depend on Romania having Most Favored Nation Status and the ability to sell some selected products in the U.S. market.

STATEMENT OF DR. GEZA SZ. ELES, ON BEHALF OF THE WORLD FEDERATION OF HUNGARIAN VETERANS, AMERICAN HUNGARIAN FEDERATION, HUNGARIAN CONGRESS, FEDERATION OF FREE HUNGARIAN JOURNALISTS AND FABRICZI KOVÁTS RADIO

Dear Mr. Chairman, responding to your announcement on July 1, 1983, we take this opportunity to make a statement of MFN and emigration under the Trade Act of 1974.

The Socialist Republic of Rumania has neither formal nor substantial ground for the extension of the Most Favored Nation status.

The sine qua non condition of the Trade Act of 1974 is Congressional veto which has been declared unconstitutional by the Supreme Court making the law dead. Thus the President's recommendation to extend the MFN status to Rumania is resting on a nonexisting law is null and void.

The emigration performance of Rumania in the last year, which is the main concern of the Subcommittee on Trade and is viewed as a condition for continued extension of MFN treatment, is more than poor according to Jeri Laber, executive director of the US Helsinki Watch Committee, charged that Rumanian officials try to demonstrate progress on human rights, including emigration, only when renewal of MFN status is pending before Congress.

Further, two Kentucky state legislators, Sen. Gene Huff, R-London, and Rep. Tom Riner, D-Louisville, are supporing an end to Rumania's MFN status after a fact-finding mission there last November. Even during its brief visit of January 15–16, 1983, in Transylvania, the staff delegation of the Committee on Foreign Relations of the US Senate noted, that passports to be granted takes years. Rep. Tom Riner said a key US official in Rumania indicated that since that nation gained MFN status treatment of emigration cases has gotten worse.

Above all dear Chairman Gibbon consider the following statement of the president of Rumania: ". . . Tell them, wherever you happen to encounter one of those Hungarian dogs, that they have no place under the Rumania sky! They can be nothing more in our land but slaves! . . . ."

For the reasons above we respectfully ask to terminate the MFN status of Rumania. To extend it would be the farce of the century.

Statement of Pastor Richard Wurmbrand, Torrance, Calif.

I am a Lutheran pastor from Romania. I came to USA in 1966 and am now an American citizen.

In my homeland, I was in jail 14 years, together with innumerable bishops, priests, pastors, rabbies, mullahs, leaders of diverse religious organisations and hundreds of laymen of all denominations.

There is no religious liberty in Romania.

The following religious organisations are forbidden: The Byzantine rite Catholic church (uniates), It had 1,200,000 believers. The bishops and many priests and monks died in jail. All its properties were taken away from her.

The "Army of the Lord" Something similar to the Salvation Army. Its leaders were sentenced up to 16 years in jail.

The Bible Society.

The Nazarenes, Witnesses of Jehovah, Reformed Adventists.

No Sunday Schools for children are permitted.

Catholics and Protestants can have no publishing houses.

No Catholic can enter a religious order. Some very old nuns are in one convent.

There are still Christians in jail for their faith. The most conspicuous case is that of the priest Gheorghe Dumitrescu Calciu, sentenced to 10 years for sermons displeasing to the government.

Active Christians get only menial jobs. They get expelled from universities.

The Communist press, TV and radio agitate continually against believers, going as far as to say that the Protestants-Baptists, Pentecostals and Adventists-commit ritual murder.

This is my testimony.

Many believers are in a slave labor camp at the canal Danube-Black Sea. Christians get fired from jobs. They are given no other employment. Then they are sentenced for "parasitism". To be unemployed is in Romania an offense punished with prison-terms. Scientists of renown are forced to work in factories as unskilled workers, Cezar Barza, former expert at UNESCO, who has published two books, is now a janitor at the factory Grivitza Roshie, Bucharest.

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